Daily Report

East Europe

FBIS-EEU-91-219
Wednesday
13 November 1991

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FBIS-EEU-91-219 *13 November 1991*

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Kapllani Talks With EC Chairman Van den Broek

AU1211142191 Tirana ATA in English 0902 GMT 12 Nov 91

[Text] Tirana, November 12 (ATA)—The minister of foreign affairs, Muhamet Kapllani, met and had intensive meetings in Brussels with the foreign minister of the Netherlands and chairman of the Ministers' Committee of the European Community, Hans van den Broek.

On his part, Van den Broek voiced the political will and readiness of the European Community to contribute both with food aids and in other directions closely linked with the economic reform in general and the success of democracy in Albania.

Speaking of the economic issues the two ministers dwelt on the importance of the political situation in the Balkans and Europe for the success of the democratic reforms. In this framework, they dwelt on the danger posed by Yugoslav crisis and the evaluation of the current economic sanctions by the European Community and international community towards Yugoslavia.

On his part, the Minister Kapllani underscored that the Yugoslav crisis has in its foundations Serbia's national-chauvinist ambitions and policy, which run counter to all democratic tendencies and the European integrating processes.

He pointed out that the affirmation of the national identity and exerting sovereignty in a civilised way by the oppressed peoples and nations will finally help the European democratic processes. Therefore it would be a mistake, he said, to think that the solution of the Yugoslav crisis might be assisted, sacrificing the rights and interests of three million Albanians in Yugoslavia to calm down Serbia. This would be a historic error. History should not be repeated by making mistakes, but by correcting them.

The meeting passed in a friendly and constructive spirit.

Kapllani Addresses G-24 Meeting in Brussels

AU1211142491 Tirana ATA in English 0908 GMT 12 Nov 91

[Text] Tirana, November 12 (ATA)—On November 11, the meeting of G-24 [Group of 24] foreign ministers opened in Brussels. The meeting was chaired by the deputy president of European Community, Andriessen.

Attending this meeting for the first time besides the ministers of five eastern and central European countries were also the delegations of Albania, Estonia, Latvia, and Lithuania headed by the foreign ministers of these countries. Yugoslavia was not invited in this meeting.

In the morning sitting the first to take the floor was the leader of the Albanian delegation, Foreign Minister Muhamet Kapllani, who said among the other things:

The participation of our delegation in this meeting is an expression of Albania's full commitment in the democratic processes and of the support it enjoys by the international community. In less than a year, Albania has entered the road of establishing and consolidating the institutional structures of genuine democracy.

The economic reform is of vital importance to the whole process of democratic transformations. The National Stability Government is fully engaged to cope with and stabilize the situation at home, relying on the consensus of political forces. Recently the government has launched a program of the economic reform for the transition to the market economy, which presents the basic orientations to the free economic initiative, the independent activity of the economic and financial subjects, extension of economic, trade and financial relations with the other countries, the encouragement of foreign investments. According to the law on land, it is given free of charge to the peasants recognizing the ownership on it. No doubt, the endeavours of the Albanian Government to carry out the reform are the decisive factor of the same importance is the support and aids of EEC and G-24. [sentence as received]

Expressing our thanks for the aid, I would like to point to its importance to overcome the catastrophic situation which is an outcome of the great food shortages.

Besides additional food aid, the Albanian Government is interested to break through the vicious circle caused by the paralysis of the economy due to the shortage of raw materials for industry. Financial support is of great importance for Albania in this period.

Convention Signed With Romania To Lift Visas

AU1211142791 Tirana ATA in English 1001 GMT 12 Nov 91

[Text] Tirana, November 12 (ATA)—These days talks were conducted between the delegations of the foreign ministries of the Republic of Albania and Romania to reach a convention for lifting diplomatic and service visas for the citizens of both countries. The talks were characterized by the spirit of friendship and constructive cooperation. In the end, on November 11 1991, through the exchange of notes the convention which will enter into force on December 1 this year was reached.

This envisages the possibility of the nationals of both parties who are equipped with diplomatic or service passports to travel to the respective territories without visa.

During the stay in our country, the delegation of the Ministry of Foreign Affairs of Romania was received by the deputy minister of foreign affairs, Ilir Bocka. Present at this meeting was also the ambassador extraordinary and plenipotentiary of Romania to the Republic of Albania, Gheorghe Miku.

National Union Supports All-Albanian Assembly

AU1111172791 Tirana Radio Tirana Network in Albanian 1430 GMT 11 Nov 91

[Statement by the Albanian National Union's Initiating Commission issued in Tirana on 8 November]

[Text] The Albanian National Union, an independent political and social organization, was created at its founding national aktiv on 19 October and was authorized by the Justice Ministry on 4 November.

Although taking its first steps in its work, our organization judges that, in the new climate of democratization in the country's life and in the deep changes we are experiencing, the need for the Albanian people's national unity is being highlighted as never before.

The road toward Europe on which we have embarked demands our unity as a people and a nation. The injustices of history cannot be redressed and our beloved homeland cannot progress without national conciliation, without extending the hand of understanding and fraternal trust to each other, and without the coordination of all political forces for the great national cause.

As has been clearly expressed in our platform, the ideal of Albanian national unification that inspires us is a matter of patriotism, human love, fraternal unity, and sacrifice to the end for the pan-national cause. The Albanian National Union has set itself the noble and lofty goal of tireless work to strengthen unity and love among people, regardless of their party or religious convictions. Understanding among our people and their unity and the unification of the unjustly divided Albanian nation are matters for the entire people. Alongside all the country's political and social forces, the Albanian National Union too, as an open, popular, and pan-national Albanian organization, will spare no efforts on this road.

We hail the initiative of the group of Albanian intellectuals to hold an assembly of conciliation and national unification on 28 November, and will give our assistance both to its successful realization and to achieving in practice the goals it will define. The Albanian National Union considers the holding of this assembly to be a historic act that will contribute to the country's further democratization and pan-national unification, aspirations that are sacred to all honest and patriotic Albanians.

Our organization appeals to its members, the entire Albanian people, political parties, associations, and organizations, and religious communities to unite all their strength and efforts in realizing this historic mission. In the extremely difficult situation through which our country is passing, we commit the Albanian National Union to working with all its energy to maintain order and strengthen social peace. We are one of Europe's oldest nations, and thus, in contrast to the utopian dogmas of the social order we have put behind us, we will show Europe our ancient culture, our noble virtues and traditions, and Albanian national pride. The Albanian National Union appeals to all Albanians within and beyond the state border and those of the diaspora to support the holding of this assembly and our efforts for national conciliation and unification. It must become more than clear to everyone, young and old, that only if we are united can we lead Albania forward, and only if we are united can we meet the challenges of the times and of history. Let us sit down with dignity at the great table of civilized Europe. Let us devote ourselves heart and soul to this great cause of the Albanian nation. Long live Albania.

Autumn Wheat Sowing Reported Behind Schedule

AU1211153191 Tirana Radio Tirana Network in Albanian 1430 GMT 12 Nov 91

[Statement issued by the Agriculture Ministry in Tirana on 12 November]

[Text] According to the Agriculture Ministry's data, the wheat sowing is very behind schedule, especially in the country's colder regions.

Korce has sown 4,000 out of 14,000 hectares; Diber 200 out of 5,200 hectares; Kukes 600 out of 2,600 hectares; Pogradec 1,300 out of 3,200 hectares; Mirdite 150 out of 1,300 hectares; Mat 250 out of 2,900 hectares; and Librazhd 300 out of 2,600 hectares. Nationwide, 14,000 out of 81,000 hectares have been sown.

The wheat sowing in the coastal plain is also behind schedule. Sarande and Vlore have each sown 300 hectares; Elbasan has sown 600 hectares; Fier 1,400 hectares; and Lushnje 1,500 hectares.

All the country's agricultural enterprises combined have sown 8,000 hectares compared with 15,000 hectares last year. The agricultural enterprises of Korce, Lushnje, and Lezhe have done a little better. It is now time to totally concentrate attention on wheat sowing. The district's agricultural sections must keep track of the progress of work and mobilize all the specialists at their disposal. Apathy must be overcome and everybody must properly tackle the problem. Data must be provided for every region, and assistance in the shape of machinery and transportation must be given in order to ensure that the wheat that represents bread for the second half of next year is sown and that bread will not have to be imported.

Defense Minister Ludzhev Assumes Office

AU1211185591 Sofia BTA in English 1759 GMT 12 Nov 91

[Text] Sofia, November 12 (BTA)—Mr. Dimitur Ludzhev, the newly appointed minister of defence, assumed office officially today.

In the presence of President Zhelyu Zhelev, commander-in-chief of the Bulgarian Army, and Prime Minister Filip Dimitrov, the senior staff of the Ministry of Defence, the commanders of the different forces and high-ranking officers were introduced to the new minister of defence.

41-year-old Dimitur Ludzhev is the first civilian defence minister since the communists came in power in 1944. Mr. Ludzhev's first words after the assumption of his office were: "I feel rather odd." "I even think there is something strange in the fact that the construction of the Defence Ministry building started in 1934 and Bulgaria has not had a civilian defence minister since then," Mr. Ludzhev said.

Mr. Ludzhev appreciated highly the conduct of the Bulgarian military in the last two years when Bulgaria underwent great changes. "The Army really acted like a national institution serving Bulgaria's national interests," he said.

Mr. Ludzhev announced his "intentions for change and stability in the Army." There will be changes in the structure of the Bulgarian Army and the officers' status. These changes will become possible under the new legislation to whose passage in the near future the new minister is personally committed.

The changes in the Bulgarian Army will be related to the new concept of Bulgarian national security which, according to Mr. Ludzhev, "is oriented to the centres of democracy and modern economic, political and military organization." The changes in the Army will also be related to the new concept of Bulgaria's relations with her neighbours.

Mr. Ludzhev sees stability in the continuity of the Army's best qualities, "a continuity of the support the Army should provide in the period of reform."

Mr. Ludzhev met with his predecessor and his deputies yesterday. They discussed over 25 issues concerning the overall structure of the Army and the ministry and some more specific problems.

Socialist Deputies To Form Shadow Cabinet

AU1211214591 Sofia BTA in English 2059 GMT 12 Nov 91

[Excerpts] Sofia, November 12 (BTA)—[passage omitted] Mr. Dimitur Ludzhev, Bulgaria's new minister of defence, was introduced to the ministry's senior officials. President Zhelev, who is commander-in-chief of the Bulgarian Army, thanked the former defence minister Yordan Mutafchiev for his loyalty and for the reforms he had initiated in the Army. Gen. Mutafchiev will probably become chief inspector of the Armed Forces, a post which is to be established soon. [passage omitted]

At a press conference today MP's [members of parliament] of the Bulgarian Socialist Party (BSP) described the bill on the confiscation of misappropriated state property introduced by the Union of Democratic Forces (UDF) as unconstitutional and threatened to protest before the Constitutional Court if the bill is adopted.

This is a repressive act, an indirect attempt to ban the BSP by taking away its property, Ms. Nora Ananieva, floor leader of the BSP parliamentary faction said.

Mr. Filip Bokov, BSP spokesman, said that the Socialists had already submitted a claim demanding that the Constitutional Court reconsider the status of the MP's who had not yet signed the oath declaration. According to Mr. Bokov, 23 MP's of the UDF and the Movement for Rights and Freedoms (MRF) had not signed the declaration by November 10. Among them are MRF leader Ahmed Dogan, Mr. Aleksandur Dzherov, chairman of the Legislation Commission and lawyer Ilko Eskenazi of the UDF.

At a press conference today the leadership of the Bulgarian Democratic Youth (BDY), the successor to the Dimitrov Young Communist League—which under the UDF bill should also return its property to the state—described the bill as an act of political repression. If the bill on the confiscation of misappropriated state property is passed, the BDY will appeal to the Parliamentary Union for Social Democracy and to international youth organizations, BDY leader Ivan Atanasov said.

The leaders of the Bulgarian Agrarian Party (United) (BZNS-E) and the Nikola Petkov Bulgarian Agrarian Party and the members of the commissions holding talks on the unification of the two Agrarian Parties have agreed not to disclose any information on the progress of the talks. At a press conference today Mr. Svetoslav Shivarov, chairman of the BZNS-E Ruling Council, said that both sides are willing to unite as quickly as possible but that journalists should be patient.

The BTA correspondents in the towns of Shumen and Razgrad (northeastern Bulgaria) report that the boycott of school classes staged by the children of Bulgarian Turks has been lifted. After a two-month break the children are going back to school.

The Socialists will form a shadow cabinet. It will consist of 15 ministers and 15 deputies who will perform control functions over the respective ministerial circles, it was said at a BSP briefing. However, the composition of the shadow cabinet was not specified.

Prime Minister Filip Dimitrov received Mr. Richard Thomas, British ambassador to Bulgaria. Their talks centred on bilateral cooperation.

In an address to President Zhelev and the Bulgarian public 170 researchers and employees of the N. Pushkarov Pedology and Agroecology Institute condemn the aggression and genocide, as they call it, of the Serbian empire against the independent Croatian Republic. They express their indignation that Europe and the rest of the world are merely looking on while innocent people are being murdered and world cultural monuments destroyed.

PSSD Refuses Role in Assembly Leadership

AU1211162391 Sofia DUMA in Bulgarian 6 Nov 91 pp 1-2

[Declaration issued by the Parliamentary Union for Social Democracy in Sofia on 5 November: "Why the Parliamentary Union for Social Democracy Has No Representative in the Leadership of Parliament"]

[Text] The political situation after the elections and turning the Movement for Rights and Freedoms [DPS] into the third parliamentary force has caused serious concern among the Bulgarian public. The concern was increased by the fact that the first actions of the DPS in the new legislature indicate that the movement has assumed the role of an agent of direct political extremism in the country. This behavior has strengthened the principled refusal by the Parliamentary Union for Social Democracy [PSSD] to participate in the leadership of the National Assembly, as long as this leadership includes members of a formation whose constitutional character remains doubtful, reads a PSSD declaration issued on 5 November.

The necessity of fully guaranteeing the individual rights of all Bulgarian citizens, regardless of their ethnic and religious background, is a basic element in the PSSD's position on the ethnic issue. The Constitution of the Republic of Bulgaria guarantees equal legal rights and obligations to all citizens in accordance with international documents and standards.

The political processes in Bulgaria after 10 November 1989 permitted the restoration of the rights of Bulgarian citizens with Turkish ethnic awareness, who were affected by coercion during the so-called national revival process. The decision of 29 December 1989 condemned the distortions of the totalitarian regime and created conditions for the citizens to defend their rights on the basis of the laws.

The PSSD is for real pluralism in all spheres of public life. It therefore does not oppose the existence of the DPS as a public organization, as long as its leaders declare their readiness to be loyal citizens and work in practical terms in the interest of our common motherland.

The PSSD does not accept the legitimation of the DPS as a political formation and rejects the attempts to charge it with the responsibility for registering the DPS for the 1990 elections. The registration was, in fact, implemented by the court, while politically this became possible as a result of the national roundtable agreements, according to which public organizations and movements could participate in the elections. The Union of Democratic Forces [SDS] insisted on this because formations with such a status were among its members.

The PSSD is seriously concerned about the fact that the DPS practically restricts the rights and freedoms of citizens of Bulgarian, Turkish, and Gypsy ethnic origin. It strives to monopolize political and economic life in certain regions of Bulgaria. The fact that the votes the DPS received in certain regions surpass election results from the totalitarian period shows that, through pressure on the voters, the DPS usurps the votes of the citizens with Turkish ethnic awareness, at the expense of all other political parties.

Through the actions of its members and activists, the DPS applies pressure on the native Bulgarian population in settlements in which it is a minority.

It is alarming to see the DPS striving to play the role of the sole defender of all Islamic citizens, regardless of their ethnic origin. Emissaries of the movement apply pressure on the self-awareness of Bulgarians of the Muslim faith. The same pressure to change ethnic self-awareness is also applied to the Bulgarian Gypsies.

All this presents the DPS as a political organization founded on an ethnic and religious basis. This fully contradicts the Constitution of the Republic of Bulgaria.

The country's interests require a broad national consensus and independent foreign policy that guarantees national security, territorial integrity, and sovereignty. The balance of the political forces in the National Assembly imposes a serious responsibility to achieve these goals in all legislative formations and, in particular, in the legislative majority of the SDS in alliance with the DPS and with the decisive support of that movement.

The PSSD has never identified the DPS with the Bulgarian population with Turkish ethnic awareness. Democratic processes are impossible without establishing relations of tolerance and toleration in society. We shall defend the political, economic, social, and cultural rights of all Bulgarian citizens. Therefore, we cannot allow ourselves to look with indifference at how the rights of Bulgarian citizens are violated and how the country's national interests are threatened. The ethnic problems must not be an issue of political confrontation. History will not forgive anyone if this becomes the case.

BSP Leaders Share Concerns With Zhelev

AU1211162791 Sofia DUMA in Bulgarian 6 Nov 91 pp 1-2

[Vasil Kharalambiev report: "Concerns of Parliamentary's Left Were Presented to President"]

[Text] Making use of his constitutional prerogatives, on 5 November President Zhelyu Zhelev summoned the leadership of the Parliamentary Union for Social Democracy and Aleksandur Lilov, chairman of the Bulgarian Socialist Party [BSP], to inform them of his decision to ask Filip Dimitrov to form a cabinet within one week.

We used the meeting with the president to bring up certain alarming concerns, Nora Ananieva [BSP floor leader] said. The first concerns the fate of the National Assembly in connection with the line of confrontation that emerged and the trend toward the removal of the democratic spirit of the debates.

The second was related to the alarm caused by the ethnic issue. It begins with the lack of a clear line on national policy and the defense of national interests, and ends with the Movement for Rights and Freedoms [DPS]. The opinion was expressed that the Union of Democratic Forces [SDS] has become a hostage of the DPS and, for the second day, the SDS parliamentary group is paying for the support that the movement promised the SDS government.

The president was briefed on information that has been received about very alarming phenomena in regions with mixed populations. Some of these documents will be handed to the Constitutional Court in connection with the pending trial.

Opinions on the two issues were exchanged. We could be a constructive opposition under conditions of a democratically functioning legislature. However, we will not become accomplices in destroying legislative democracy under the conditions of a National Assembly led in a totalitarian manner. We declared this in a sharp and a categorical manner, Ananieva said.

Zhelyu Zhelev said that a public forum involving the political parties and movements, at which they will present their positions, is envisioned on the ethnic issue.

BSP Proposes To Return Property to State

AU1211150091 Sofia DEMOKRATSIYA in Bulgarian 7 Nov 91 p 1

[Yana Khristova report]

[Text] The final fate of the party house in the center of Sofia will be resolved at the upcoming congress, it was stated after the close of the Bulgarian Socialist Party's [BSP] plenum. Despite this fact, over the last two or three weeks, property has been transferred to a new safe address—the house of the ABF [expansion unknown] on Pozitano Street.

The BSP plenum was the last attempt to voluntarily return to the state the property to which the party is not entitled and that it does not need. According to informed sources, the plenum took place in a suspiciously calm fashion. Andrey Lukanov, speaking for the presidium, proposed that the property managed by the party companies be returned and that the Socialists restrict themselves to only that which is "absolutely necessary" (quite a flexible concept). Some of those present assessed this as a fine gesture but an extremely late one: In the present situation, this gesture is interpreted as an expression of political weakness rather than goodwill. Chairman Lilov accepts responsibility for the tardiness, if there has been any, and proposes that philosopher Valentin Vatsev, leader of the Alternative Socialist Association (internal-party), head a commission to establish the causes of this tardiness.

Bokov Clarifies BSP Position on Property Issue

AU1211170591 Sofia DUMA in Bulgarian 7 Nov 91 p 1

[Interview with Filip Bokov, "Spokesman for the Bulgarian Socialist Party Supreme Council," by DUMA reporter Dora Chichkova; place and date not given: "Union of Democratic Forces Movement Heads Along 1946 Bulgarian Communist Party Road"]

[Text] Finance Minister Kostov is not satisfied with the declaration by the Bulgarian Socialist Party [BSP] Supreme Council on party property and will continue to press charges. He announced this on 6 November, on the "Before Everyone" Khorizont Radio program. Mr. Kostov said that he is concerned with the fact that the BSP wants the property it returns to be assessed at 3.5 billion leva, having received 1.850 billion leva from the state. According to the minister's logic, there are two possible explanations: Either the BSP has secret income sources, or it wants to pay for its old debts with property assessed at the present prices.

These claims are speculation aimed at deceiving public opinion, Filip Bokov, spokesman for the BSP Supreme Council, said to DUMA. Mr. Kostov knows very well the size of the BSP property. He accuses us of assessing our property on the basis of its market value, while at the same time he himself is manipulating by imposing interest on amounts received from the state budget. Therefore, the BSP declaration insists on initiating a competent expert's assessment of the property, along with the participation of foreign specialists.

[Chichkova] Mr. Kostov voiced the suspicion that the declaration only has a political propaganda character and that it will not be followed by practical deeds.

[Bokov] The declaration expresses the BSP's willingness to part with this property. However, from a purely judicial point of view, the state must express readiness to accept it, because if we relinquish it today, somebody must manage it. Mr. Kostov's statement actually means a refusal on the part of the state to accept the property. Obviously, another way of resolving the issue is sought, namely, through a repressive law leading to confiscation.

[Chichkova] The minister is not satisfied with the fact that again only a part of the BSP property is involved. What indeed is BSP property, and how much will the BSP keep?

[Bokov] The BSP will keep for itself only what is necessary for its political activity—premises for the municipal party councils and the party clubs, vehicles, and buildings for scientific research and publishing activities. The "Slunchev Den" [Sunny Day] company; the "Druzhba" [Friendship] Tourist Complex in Varna; the resthouse in Khisar; the hotels in Pamporovo and Borovets; the Elitsa Hotel in Vitosha; the "Rodina" [Motherland] Industrial Complex; Europe Palace Hotel in Sofia; and some of the buildings managed by the "Universe" Company, such as the Academy of Social Sciences and Social Management in Varna, the Lipnik Residence in Ruse and the former interokrug party schools in Burgas, Blagoevgrad, and Vratsa are being returned.

[Chichkova] Mr. Kostov does not understand why the BSP is returning property after it found the claim of the Ministry of Finance to be groundless.

[Bokov] The BSP Supreme Council has not changed its opinion about the political character of the claim, but expects it to be withdrawn under the influence of political wisdom. This would facilitate the normalization of the sociopolitical situation. The position of the BSP must not be interpreted as a sign of weakness, but as new proof of the party's consistent line toward changing itself and society in the direction of democracy. The BSP expects the same prudent attitude on the part of the other political forces and the organs of state power, with which it is prepared to discuss the basic principles of a law that will regulate all parties' property, economic activity, and sources of income.

[Chichkova] The declaration states that this is the final position of the BSP Supreme Council on this issue, which has evoked many speculations. Is the BSP afraid of confiscation?

[Bokov] I think that we can withstand another confiscation. The party did withstand several.... However, eventual confiscation will place a question mark over the right of the Union of Democratic Forces [SDS] to use state property without paying rent.

Unfortunately, the SDS is heading along the road of the Bulgarian Communist Party from 1946-47, and this is its greatest mistake, because as practice shows, no confiscation is permanent.

Two Agrarian Unions Continue Unity Talks

AU1211152791 Sofia Khorizont Radio Network in Bulgarian 1400 GMT 12 Nov 91

[Text] For several days, the intercontact commissions for the unity of the two Agrarian Unions have been negotiating. However, their result is a question of the future. This was stated at the regular briefing of the Bulgarian National Agrarian Union-United [BZNS-E] this morning. We are thinking that the time has come to unite because the desire for renewal in the local branches is very strong, Aleksandur Velichkov, a member of the executive committee, pointed out.

As a coalition, the United Agrarian Union and the Constitutional Forum will continue their political cooperation and will participate in the ethnic issues roundtable.

If a request is put to the BZNS-E to return property, the union will use its legal possibilities to obtain the agrarian property confiscated in the past by the state.

It was pointed out at the briefing that the attacks and slander against the leaders of the United union are not democratic and are aimed at discrediting the agrarian idea.

EBRD Delegation Meets Dimitrov, Others

AU1211165691 Sofia BTA in English 1549 GMT 12 Nov 91

[Text] Sofia, November 2 (BTA)—Prime Minister Filip Dimitrov received today the delegation of the board of executive directors of the European Bank for Reconstruction and Development (EBRD), including representatives of the major countries members of the EBRD. The experts have come to assess the condition and prospects before Bulgarian economy in view of the drafting of the bank's programme in support of the reform in Bulgaria. The board of executive directors is expected to discuss the programme on Bulgaria by the end of November, a member of the delegation told BTA.

The Bulgarian prime minister acquainted the experts on the cabinet's programme on the stabilization of the economy and the speeding up of the economic reform. He spoke about the legislative initiatives prepared by the Union of Democratic Forces for fundamental structural changes in the economy through privatization, providing more favourable conditions for foreign investment, reforms in banking, etc. Mr. Dimitrov assured the delegation of the European Bank that the transition to democracy and a market economy in Bulgaria was irreversible.

The European Bank experts met Deputy Finance Minister Dimitur Kostov. Finance Minister Ivan Kostov went to hospital which prevented him from meeting the experts. They also met Mr. Ivan Pushkarov, minister of industry and trade, Mr. Emil Khursev, deputy governor of the National Bank of Bulgaria, representatives of the Bulgarian Foreign Trade Bank, of the Bulgarian Chamber of Industry and Commerce and of the Agency for Economic Coordination and Development. The delegation was familiarized with the views of the competent authorities and the business circles on the progress of the economic reform.

Slovak Deputies Sovereignty Declaration Published

AU1211192991 Prague LIDOVE NOVINY in Slovak 9 Nov 91 p 2

["Declaration on the Sovereignty of the Slovak Republic" prepared by Slovak National Council deputies representing the Movement for a Democratic Slovakia, the Slovak National Party, and the Christian Democratic Movement; place and date not given]

[Text] The following Declaration on the Sovereignty of the Slovak Republic—prepared by Movement for a Democratic Slovakia, Slovak National Party, and some nationally oriented Christian Democratic Movement deputies—was neither discussed nor voted on in the Slovak National Council plenum. Nevertheless, it circulated among the deputies.

We, Slovak National Council deputies, as the legitimate representatives elected in the first free elections of the citizens of the Slovak Republic,

—two years after our victory in the November 1989 revolution that swept away totalitarian power,

—at a time when all the nations of Central and East Europe have cast off their chains of bondage and enforced centralism, are establishing our own statehood and are creating a community with a new kind of democratic state,

—aware of each nation's inalienable and natural right to self-determination, enshrined in international documents,

—and in accordance with the still valid Constitution of the Czech and Slovak Federal Republic and the 1968 constitutional law on the Czechoslovak Federation,

solemnly declare the following:

"1. The Slovak Republic is a sovereign state comprising the autonomous Slovak people and the ethnic minorities living on Slovak territory.

The sovereignty of the Slovak Republic expresses the natural right of its citizens regardless of their origin, nationality, religion, or political conviction.

2. The bearer and representative of the Slovak Republic's sovereignty is its supreme legislative body—the Slovak National Council.

Only the Slovak National Council, as the representative of the political will of the citizens of the Slovak Republic, has the unrestricted right to fully implement the state's sovereignty or, as the case may be, to—in accordance with a treaty—consign part of it to other state units or supranational communities.

3. By adopting a Declaration on Sovereignty, citizens of the Slovak Republic express their resolve to make decisions on their own fate and, as an entity of international law, to cooperate with other nations."

We appeal to all nations and states to benevolently accept this declaration and to grant the Slovak Republic their recognition and assistance in fulfilling its declared sovereignty.

News Conference on Constitutional Talks 11-12 Nov

LD1311082391 Bratislava Ceskoslovensky Rozhlas Radio Network in Slovak 1908 GMT 12 Nov 91

[News conference with Czech National Council Chairwoman Dagmar Buresova; Jan Kalvoda, Czech National Council first deputy chairman; Slovak National Council Chairman Frantisek Miklosko; and Ivan Carnogursky, Slovak National Council first deputy chairman; in Casta-Papiernicka on the results of the Czech-Slovak constitutional talks—live]

[Excerpts] [Miklosko] I am now going to read the communique on the meeting of the presidia of the Czech National Council and the Slovak National Council in Casta-Papiernicka held on 11 and 12 November 1991. Afterwards, you may ask questions.

The communique: The presidia of the Czech National Council and the Slovak National Council have discussed comprehensively for the first time all questions connected with the preparation of the treaty on the principles of the constitutional setup. In this, they proceeded from the results of the previous talks and from the draft of the joint text drawn up by experts on the basis of discussions held between the chairmen and the first vice chairmen of both National Councils on 8 November 1991.

In the draft, which contains 88 provisions, the Slovak side has objections to 15 provisions, the Czech side to five provisions, and both sides have objections to two provisions. The presidia have agreed on the rest of them. The draft will be discussed in the National Councils, with the aim of finding alternative solutions within the next three weeks to contentious questions.

Discussed, in particular, will be the 25th article of the draft—which regulates the highest state bodies of the common state—with the upshot that the outcome of the discussions may serve as a legislative initiative of the National Councils vis-a-vis the Federal Assembly.

The procedure concerning the adoption of the treaty and its character remains to be the most complex problem. The attitudes of the National Councils differ here. The Presidium of the Slovak National Council has put forward a draft amendment to Article 142 of Constitutional Law No. 143-1968 of the Digest, that the Presidium suggests will resolve the problem of procedure and that it regards as accommodating. The Presidia will submit this draft for the consideration of the clubs of deputies of both National Councils. Both presidia pledge themselves to do everything to ensure that no anticonstitutional or extraconstitutional processes are used when tackling the unresolved problems. This is all that the communique says.

[Unidentified speaker] Now you can ask your questions, please.

[Unidentified reporter, in Czech] I would like to ask a question that is perhaps a bit too clear-cut after year-long talks. Nevertheless, I would like to ask what is the criterion used by the Slovak side to assess the difference between a federation and a confederation? Which one of the three possible variants—an independent state, confederation, or federation—is favored at present by the majority of Slovak political representatives?

[Miklosko] I think that the majority of both the presidia of the Czech National Council and Slovak National Council favor the idea of a common state.

The Christian Democratic Movement expressed at its congress the view that if no agreement was reached between the Czech National Council and the Slovak National Council, it would probably propose in its future election program a looser union of the two republics.

As far as the criterion is concerned, constitutional lawyers say that it is sometimes very difficult to define it. [passage omitted]

[Buresova, in Czech] I want to intervene at this moment, as I think that it is possible to point out the difference between a federation and confederation rather unequivocally. Only a federation as the subject of international law—it is a common state—while a confederation is a union of states that preserve their position as subjects of international law. [passage omitted]

For the Czech side, the difference between a federation and confederation is very important. That is why the Czech side is sometimes considered to consist of some sort of legal fundamentalists. [passage omitted]

[Unidentified reporter] On which new things have you agreed specifically, that could be interpreted equally and identically, and which will also apply tomorrow?

[Miklosko] We have agreed on all provisions apart from those in the joint text on which we have failed to reach agreement. Out of 88 provisions, I would have to name all 66 on which we have agreed. In the end, we voted en bloc on them and agreed that they would apply.

[Buresova, in Czech] These are really important areas, such as foreign policy, defense, and the protection of the Constitution. They are really the most important matters that I hope will not be questioned and on which we have truly agreed and voted.

[Unidentified reporter] I have a question for Mrs. Buresova. You said that you agree on foreign policy, but not on the issue of international legal subjectivity. I also have two questions for Mr. Kalvoda: How unconstitutional is the adoption of a declaration of the sovereignty of Slovakia, and will you consider holding talks in the future about looser ties?

[Buresova] First, about the issue of the international legal subjectivity: [passage omitted] I hold the view that international legal subjectivity belongs to the common state—that is, the Czech and Slovak Federative Republic.

[Carnogursky] We have agreed on the version that has already been published in the press and that you know about from the joint talks held between the federal minister of foreign affairs, the Slovak minister for international relations, and the deputy chairwoman of the Czech National Council, who is also the head of the Czech Committee for International Relations. If you read this formulation carefully, you will find that it confirms the existing state of affairs, that all three units are the subjects of international law, of course in line with the agreed principles of the foreign policy of the common state. That text will be incorporated into the treaty.

[Kalvoda] As far as the text of the declaration of Slovak sovereignty that was submitted to the Slovak National Council last Friday, I regard that text to be unconstitutional. As far as the second question is concerned, whether I would contemplate future talks about looser ties, I have to explain it. In my view, we have only a political mandate to engange in talks within the framework of the common state. These are the limits to our mandate, both the constitutional ones, since we took a certain oath, and the political, because no other relevant demand has been made in the Czech political arena. For this reason, I do not contemplate talks about looser ties. [passage omitted]

[Unidentified reporter] I hope you will pardon me for being a bit critical following your exhausting talks but, in my view, the communique you presented will just increase the anxiety and postpone an overall solution for another three weeks, perhaps for much longer. [passage omitted]

[Miklosko] We did not close the door to our talks. The communique also outlines what we are going to do if an agreement is not about to be reached. First, the National Councils will begin to prepare a draft of a new legislature for our common state. [passage omitted] The presidia will give a stimulus to the Federal Assembly to prepare a constitutional law on the setting up or restructuring of the Federal Assembly. This is necessary for securing peaceful running of the elections next July. This is the first step of fundamental importance.

The second thing I want to point out is that we discussed rather openly an alternative concerning the situation if we do not reach an agreement. [passage omitted] We discussed our future options. The first option is a referendum; the second option is early elections; and the third one, which we so far consider the most realistic from a political point of view, is to note that, in the end, the National Councils failed to reach an agreement. I do not think that this would necessarily be noted as a defeat of the present political representatives. If we look around us, we see that other countries around us face big

problems as we do. It would be said that the constitutional situation continues to exist, and individual political parties can draw their own consequences from this for the future election term, for their election programs for the next election term. [passage omitted]

[Buresova] [passage omitted] It appears that discrepancies of a fundamental nature do exist. We are trying to remove them. If we do not succeed in removing them, then according to the current constitution a normal constitutional state of affairs will exist. We must try to establish a new shape for the Federal Assembly by legislative means, because the Chamber of Nations and the Chamber of the People are not in keeping with the present requirements. They are very unwieldy. This may not be the best expression, because what I mean is that it is very difficult to work there. So this is the task we must fulfil. [passage omitted]

[Carnogursky] All of you are aware of the fact that the Slovak National Council has drawn up and completed the draft of Slovak Republic constitution. Once again, I would not like to recall some bad memories in this respect. After all, I have been working in the Slovak National Council for quite a few months now. However, we must expect that our failure yesterday and today to reach an agreement on a treaty will undoubtedly increase the pressure to conclude and finalize the process of adoption of the Slovak Republic's constitution. We expect all these things and will have to deal with them in the coming weeks. [passage omitted]

[Unidentified reporter] I have a question addressed to both Frantisek Miklosko and Ivan Carnogursky. A group of Slovak National Council deputies will apparently make a proposal asking Slovak National Council deputies to give a public answer to the unequivocal question: Are you in favor of an independent Slovak state? They will also demand that that question be put forward in a referendum to Slovak citizens. By comparing the results, it will be shown whether the Slovak National Council represents the aspirations of the citizens of Slovakia.

[Carnogursky] [passage omitted] I will give a straight answer. I am not in favor of an independent Slovak state. I am in favor of a sovereign national state with its constitution, with all its constitional attributes. Yes, I am in favor of such a state. I and other deputies are working for such a state. The treaty we are seeking is part of it.

[Miklosko] I am in favor of Slovakia becoming Slovakia in the family of European nations. [passage omitted]

[Unidentified reporter] You all insist during these talks that it is only the Slovak National Party opposing our common state. I would like to ask Mr. Miklosko what is bad, in his view, about a possible future Slovak independent state. I would like to ask Mr. Carnogursky what is good, in his view, about a possible future common state. [passage omitted]

[Carnogursky] At present, an independent Slovak state would mean disintegration of internal relations and of the entire mutual domestic market. This would have an impact both on the Czech Republic and Slovak Republic. No doubt this would bring no advantages either to the Slovak Republic or the Czech Republic. This would bring only disadvantages. This is simply my answer. I perceive this option as an immediate specific disadvantage. Moreover, neither the constitutional character nor the recognition of such a sovereign state abroad could be guaranteed at all; on the contrary, it would be questioned, as the foreign states would perceive it as something reached unconstitutionally. These are the disadvantages I can see.

What then are the advantages of a common state? Through the existence of a common state, and also through this agreement, we are working toward having it formed by two independent states. [passage omitted]

[Federal Television reporter, in Czech] On behalf of Federal Television, I would like to ask two questions. One of them will not concern specific results of these talks, but rather their essence and the issue on which you are exceptionally at one. As far as I know, you agree that the federation in its present shape in unable to function. I would be interested in obtaining one specific example of where exactly this problem lies, where specifically this federation is unable to function. My second question is addressed to Mr. Miklosko and Mr. Carnogursky. One cannot overlook the endeavor of both sides to attain a different shape for a common state. How do you see your future political career, if an independent Slovak state is proclaimed?

[Miklosko] [passage omitted] As for the remark that the federation is unable to function on some issues, as so much has been written on this topic, I will sum up my own answer in one sentence. The Slovak Republic feels that its participation in a common state is insufficient. It feels that the central bodies are too far away and that the bureaucratic apparatus does not represent its interests. It wishes to fight for this participation, to achieve it in some way or to negotiate it. This is my answer.

[Carnogursky] Its failure to function lies also in the fact that the constitutional system of the present federation does not make possible the adoption of a course of action on which we both agree, because all this is conditional upon further changes that must be first accepted through a whole complicated procedure in the Federal Assembly. The two republics, although they form the basis of the state while the Federation is the superstructure of the republics, are unable to deal with their problems. In this, I can see the present federation's failure to function.

[Unidentified reporter] Yesterday and today, many participants in the talks indicated that the process of talks on the constitutional setup could be transferred to the next elections. I would like to ask you whether this is so. Either confirm it or refute it, please. I would also like to ask you, Mr. Chairman of the Slovak National Council, the following question: The 18th session of the Slovak National Council was suspended precisely because of these talks. What will your position be tomorrow, when

the declaration on the Slovak Republic's sovereignty is once more on the agenda? What importance do you attach to this declaration?

[Buresova] There can be a straightforward answer to the first question. If we do not manage to conclude a treaty—and we discussed this already—the legislative, or the constitutional, process will have to be transferred to the elections, or beyond the elections, because the prerequisite and the primary demand raised by the Slovak side originally, and subsequently accepted by us, is to conclude this treaty. Therefore, if we do not manage to conclude this treaty, we will be able to take some partial steps, but we will not be able to set in motion the constitutional initiative with regard to the Federal Assembly. [passage omitted] The adoption of the declaration by the Slovak National Council would probably put an end to the talks between the Czech and Slovak National Councils. [passage omitted]

[Unidentified reporter, in Czech] I would like ask how the results of today's talks will affect the impending talks on budgets.

[Carnogursky] The passage concerning taxes, the drafting of the budgets, and especially the drafting of the budget of a common state were also a part of the treaty. Our agreements are in no way able to affect the drafting of a budget for a common state. Slovak Deputy Prime Minister Vavro was here. We were told that all three finance ministers were engaged in the discussion on a new key on income redistribution. Both the Federal Assembly and the republics will have to adopt budgetary rules. We will also have to adopt some kind of a key. These matters will be finalized by a separate law that will be outside our talks held here. [passage omitted]

[Unidentified reporter] I would like to ask in what areas the declaration on sovereignty is unconstitutional. It has also been said that, in certain instances, it would not be unconstitutional. Where is the difference? [passage omitted]

[Kalvoda] I have not changed my view on the subject. I believe that a declaration of sovereignty is unconstitutional. Apart from the case whereby a declaration reiterates something that is already contained in the Constitution, any other declared extention of sovereignty of the Slovak Republic or, as the case may be, the Czech Republic, is unconstitutional. Nothing can be altered in this. [passage omitted] All these are the consequences of the single problem which in the background lies the question: Do the two sides possess the will to live in a common state? Is their notion of that common state the same? This question is a legitimate one. The Czech side is fully justified asking it. After all, we have to know whether we are talking about a common state. We are not talking merely about mutual advantages. We are also talking about an idea. When contemplating it, I recall that soldiers, armies of this country, swore that they would lay down their lives for the republic, for a common state. In no case would they have laid down their lives for a warranty bond or a commercial contract. It is not merely the qustion of mutual advantages and of balancing mutual commercial and materially advantageous relations. It is an idea. [passage omitted] Unless this issue is answered and weighed politically, we will not know what kind of state we are discussing. All other discussions and arguments—whether the law on family will be federal or republican—are really unnecessary arguments, because they all are the projection of one sole question that has not been answered: Is there an idea of a common state or not? [passage omitted]

[Miklosko] I am convinced that political will to hold talks still exists. The members of the presidia of both the Czech National Council and Slovak National Council expressed their views on this issue. The fact that we did not entirely end our talks is not some sort of a maneuver, some sort of a deceit of our citizens; it is really political will. I imagine that the failure to bring our long-lasting talks to a conclusion can make our society, especially Slovak society, nervous. Nevertheless, we have to take into account what sort of problems we are tackling. We did not expect to face such a difficult time. Not to mention Yugoslavia or the Soviet Union—look at the enormous problems they have to face in Poland. [passage omitted]

[BBC reporter, in Czech] I would like to ask whether the Czech political representatives are united in their view about what is a lesser evil, from the point of view of the interests of the Czech Republic—to live in a state that is permanently questioned or to part company? [passage omitted]

[Kalvoda, in Czech] Whether we are united? No, we are not. We are not united. [passage omitted] My personal view is that not all—and I do not know whether it is the majority, but it is certainly an important number of Slovak political subjects—are in favor of an independent state. What keeps me going, to consider our talks as rational, is that I think that so far they have not been forced by political pressure to present such a program openly to Slovak citizens, and they have not won or lost yet. If they have already done so—and I would mention that Slovak political will seeks an independent state in two to five years' time, and this will to achieve an independent state already exists—then I would consider our talks a lost cause. [passage omitted]

[Buresova, in Czech] We are back to the beginning, when we said that if we fail to conclude an agreement by a certain deadline then there is an option of a referendum. [passage omitted]

[Kalvoda, in Czech] I would like to add one thing: On whether the Czech representatives are united, I do not think so. There are two views. One of them is the view I hold, and the other one says that time will put it right. This is some sort of a European megatrend that seizes all of Eastern and Southern Europe. This is a question of nationalism, which will certainly hit barriers. The question is to survive the time before this happens and not to

break the geopolitical unity of Central Europe. Both views are well-founded, but I do not believe in the latter. [passage omitted]

[Buresova, in Czech] Not even those who support the second view are sure whether the real will of the citizens of the Slovak Republic favors an independent state or a common state. This is the main reason why we all are engaged in talks for the umpteenth time and why we are trying to bear the burden of our task.

[Reporter Bielikova] The news conference has just ended.

Carnogursky Discusses State System, Sovereignty

LD0911222791 Bratislava Ceskoslovensky Rozhlas Radio Network in Slovak 1730 GMT 9 Nov 91

[Interview with Slovak Prime Minister Jan Carnogursky by reporter Michal Tvarozek during an interval of the Christian Democratic Movement Congress in Zilina—recorded]

[Excerpt] [Tvarozek] Mr. Prime Minister, in your opening speech you said that the Movement should go into the election campaign with a program of a looser arrangement in Czechoslovakia than a federation. Such a formulation reminds me a bit of the words used by Mr. Meciar and the aim he has set himself. Is it the same thing, or is your thinking totally different?

[Carnogursky] I do not know whether it is the same thing or whether it is totally different, but personally it does not matter to me whether it is the same thing or whether it is something completely different. To put it simply, I believe that if the presidia of both National Councils fail to reach agreement during the current talks that they are conducting, the logical outcome could and indeed should be that, at the next stage, the consideration should be given to a looser arrangement than a federation.

[Tvarozek] What do you have in mind?

[Carnogursky] A looser arrangement can take the form of either a confederation or an authentic union or any other mixed type of a union. In this context, I would like to draw attention to the article written by Mr. Sabata that was published in the Brno-based newspaper ROVNOST on 6 November, in which he said that an authentic union might be a suitable arrangement in our common state. In addition, Zbigniew Brzezinki's view on the subject of Czechoslovakia was published recently. In his view, Czechoslovakia should be preserved. It did not matter, however, whether it would be a federation or a confederation. There are simply a number of such mutual forms, and it will be necessary to select one of them or combine them.

[Tvarozek] Can one also understand this in the sense that you are attempting to eliminate areas of conflict that could occur with the Czech representatives?

[Carnogursky] Of course. In a state that does not possess a final authority that would arbitrate in cases of misunderstandings and conflicts, there is, therefore, a need to reduce mutual links because this also means a reduction of areas of conflicts.

[Tvarozek] Can I ask you, Mr. Prime Minister, whether you wrote your speech before Mr. Hykisch made his statement [declaring Slovak sovereignty] in the Slovak National Council yesterday?

[Carnogursky] Yes, because I wrote the speech about a week ago.

[Tvarozek] You know at what I am hinting—whether your speech was not a reaction to what he said? What in fact is the stance of the Christian Democratic Movement on the demand he made there? I know that you were not in the country at that time.

[Carnogursky] Indeed, I was not in the country. I only returned from abroad last night. According to information I have received, a declaration or proclamation of sovereignty would, in the present period, be an incorrect and unfortunate step, since it would complicate talks between the two National Councils. Indeed, Slovakia must also have an interest in reaching an agreement about a common state.

[Tvarozek] Do you think that an agreement will be reached in Papiernicka next Monday and Tuesday, that they will come to an agreement on the treaty, at least a partial one?

[Carnogursky] I cannot tell you. I do not wish to make forecasts about what will happen in the future.

[Tvarozek] There has been rather a lot of talk here about whether the Christian Democratic Movement will transform itself into a party at the current congress.

[Carnogursky] No, it will not be tranformed. A relatively loose set up still suits us. The draft amendment of the statutes that the congress will be debating tomorrow does not envisage a transformation of the Movement into a party.

[Tvarozek] A number of people have been surprised by the fact that representatives, leading representatives, i.e. chairmen, of your partners in the coalition have been absent from the congress. Do you ascribe this to the lesser respect that the Movement enjoys or to other things?

[Carnogursky] Why should chairmen be here precisely? Although the congress is of a great significance for the Christian Democratic Movement, I believe that it is not of such a big importance to other political parties and movements.

[Tvarozek] There also has been a rather lot of talk about the determined entry made by the Federal Government

into the talks between the Czech and Slovak Governments. How do you view this, especially in connection with the forthcoming talks in Papiernicka?

[Carnogursky] It seems to me that the decision made by the Federal Government about what is termed as a more determined entry into the talks about the constitutional arrangement does not as yet have a sufficiently clear concept. This is because to make a determined entry into something also implies possession of the appropriate means and tools that would enable one, the government in this instance, to act in a determined manner. I do not see that the Federal Government posseses such means.

[Tvarozek] How do you assess the course of your congress up to now. Of course, I recognize that the congress proceedings have not yet reached a climax in a debate during which members' views will be revealed. Nonetheless, what are your views up to now, Mr. Prime Minister?

[Carnogursky] I believe that the congress has once again confirmed the basic unity of our Movement and, in this respect, I do not anticipate any dramatic changes during the next stage of the proceedings. Several reports have been delivered so far. They included my report and reports by individual sections. I believe that the reports provided a picture of an intensive life within the Christian Democratic Movement and in its dealing with the outside world. They will enable the congress to make a decision about the continuation of the present line.

[Tvarozek] You do not, therefore, envisage that the Movement will fragment into different currents of opinion? I have in mind such a fragmentation that could result in a split?

[Carnogursky] No. There exist various currents of opinion within the Movement, and indeed it is right that they should exist. It is a well-known fact that the so-called national tendency is comparatively strong. There are others, such as the moderate tendency, in particular with regard to the means of expression it uses on the issues of the constitutional arrangement. It is a good thing that such tendencies exist, although I do not envisage any fragmentation or a split and a separation of a larger group from the Christian Democratic Movement. This is because if some critics of the Movement have revealed themselves, whose criticism could result in the fragmentation of our Movement, such critics do not command the support of a larger section of our supporters.

[Tvarozek] A discussion about screening, or rather about a report submitted by the Screening Commission, took place behind closed doors here at the congress, from which the public and journalist were excluded. Naturally, I do not know what the result was, and indeed I do not demand a reply from you on this question that is, of course, a secret one. Nonetheless, could not, for instance, the results of the Screening Commission influence the strength of the Movement?

[Carnogursky] No, in no case, because it concerns individuals.

[Tvarozek] Could you say how many?

[Carnogursky] I do not wish to talk about it, about how many people it concerns. Nonetheless, it involves a minute number of people.

[Tvarozek] Finally, I would like to return once again to the report you delivered at the congress. What is your view on the course of the economic reform, and how will the Christian Democratic Movement be implementing it in the present period. Will it either accelerate or merely maintain it?

[Carnogursky] The privatization of the economy has been the aim of the Christian Democratic Movement from the very beginning. It is enough to have a look at other Christian Democratic Parties abroad, who in their respective countries are the staunchest fighters for a most extensive privatization. In this sense we are also fighting for the most extensive privatization. In our understanding, privatization should not, however, be merely about the speed of it but also about the number of people involved in it. I shall now explain. This means that one should not merely transfer assets from state ownership to private ownership as quickly as possible and at any price but should also ensure that such a privatization benefits the largest number of citizens—that is, to enable the largest number of citizens to become owners. We would, therefore, like to adapt certain privatization techniques that would enable us to reach this objective. I have to acknowledge, though, that so far we have not been very successful in this endeavour because ideologcally we are standing alone. [passage omitted]

Bank Currency Plans After State Breakup Reported

AU1111165391 Prague RUDE PRAVO in Czech 7 Nov 91 pp 1-2

[Vladimir Labuda report: "The Bank Has Prepared for the State's Breakup"]

[Text] The stamps and securities print shop [ceninova tiskarna] at the Technical Center for Communications in Prague has printed duty stamps in case Czechoslovakia breaks up and it is necessary to mark all paper money.

On 2 September, Engineer Vokaty, head of the Money Circulation Department at the Czechoslovak State Bank [SBCS], sent the stamps and securities print shop at the Technical Center for Communications an order to print "stamps for privatization coupons" at nominal values of 10, 20, 50, 100, 500, and 1,000 korunas.

Federal Communications Minister E. Ehrenberger made an unexpected visit to the print shop on 5 October, accompanied by V. Klaus, CSFR deputy prime minister and finance minister. The visit was made, allegedly, to check up on the print shop's security systems and labor organization, because forged 1,000 koruna stamps for the coupon books intended for large-scale privatization—which are also printed here—had, allegedly, cropped up somewhere. However, according to our information, the two ministers were mainly interested in

the aforementioned order. Several days after the ministerial inspection, the print shop received a letter from the SBCS canceling the order of 2 September.

When we inquired into the matter, we met with extreme unwillingness everywhere. Nevertheless, the aforementioned facts were confirmed. Moreover, the nominal value of the stamps ordered corresponds to Czechoslovak paper money denominations. Incidentally, the overall value of the stamps greatly exceeds the value of the property to be privatized. What is more—as D. Triska, director of a Federal Finance Ministry department, confirmed for us—no stamps are being taken into consideration for the privatization coupons in the coupon privatization process.

Is This Just the Bank's Business?

Therefore, everything suggests that the SBCS, under the guise of "stamps for privatization coupons," really ordered duty stamps for remarking money, in the event that the federal state breaks up.

In reply to a question on whether this really is the case, Engineer Vokaty said: "It is our business what we use these stamps for, is it not?" He added that he would not say anything else about this issue. On the contrary, SBCS Spokesman M. Svehla gave us the following statement:

"According to the law, the SBCS is responsible for the protection of Czechoslovak currency. A series of purely technical measures for looking after the money in circulation and for guaranteeing its function in the event of unforeseen circumstances is connected with this. The money in circulation can be affected, for example, by a natural disaster, a military conflict, a massive occurrence of forgeries, the state's breakup, or other threats to our currency's stability. Specific technical measures of a quite confidential nature have been prepared by issuing banks in other countries for these instances. Similar measures adopted in the past in our country are insufficient; therefore, the SBCS is looking into this technical protection anew. In this instance, the confidential nature of the step was breached and, therefore, the entire measure has been suspended."

The Questions Remain

So much for the bank's explanation. A number of questions remain, however. For example, whether the people in the SBCS were sufficiently aware of the fact that, by their course of action, they were actually creating a specific and conspicuous material prerequisite for the division of the state. It is obvious from the statement made by the Bank's spokesman that the confidential nature of the operation was breached after the ministerial inspection of the stamps and securities print shop. Therefore, we are justified in asking who it was who did not take the possible impact that such an operation could have on the current situation sufficiently into consideration.

Klaus Criticizes Czech Privatization Postponement

AU1211101891 Prague HOSPODARSKE NOVINY in Czech 8 Nov 91 p 3

[CSTK report: "Federal Ministry of Finance: Postponement Means Extension of Agony"]

[Text] The Federal Ministry of Finance continues to feel bound by the agreement that it concluded with the two republics' ministries of privatization on 1 November. The agreement stipulates, among other things, that only on 8 November would a joint project of organizational and technical solutions be submitted for bringing coupon privatization as close as possible to the approved timetable, says a statement that CSFR Minister of Finance Vaclav Klaus granted to CSTK yesterday in response to the decision of the Czech Republic Government to postpone the start of coupon privatization by at least two months.

The Federal Ministry of Finance considers the one-sided cancellation of the agreement to be an act of disloyalty, of which we ought to beware in the future, the statement goes on to say. The Federal Ministry of Finance is convinced that, as a matter of principle, governments stemming from democratic elections should not postpone problems but solve them. Precisely by displaying the ability to take action, they will differ from previous governments that constantly used the intricacy and complexity of problems as an excuse for their own incompetence.

The Federal Ministry of Finance is offering its help in the organization and management of the work of special working teams that are to be set up under the aforementioned agreement of the three ministers. The postponement of coupon privatization by a month could cost up to 100 million korunas. These resources can be used for the help mentioned above, the Federal Ministry of Finance statement continues.

The postponement of any step that forms part of our economic reform's blueprint could have a fatal [fatalni] impact on the reform as a whole. The extension of the agony of many Czechoslovak state enterprises is connected with enormous economic losses. What is even worse, however, is our citizens' loss of confidence in the ability of the government to come to terms with existing difficulties, the Federal Ministry of Finance statement says in conclusion.

[Prague RUDE PRAVO in Czech on 8 November on page 1 carries a 250-word Pavel Paral commentary entitled "Mutiny Against Klaus." The commentator says that the Czech Government's decision to postpone the start of coupon privatization "obviously means that Vaclav Klaus suffered his first defeat on the field of economic reform."]

Privatization Statistics Reported

AU1311112691 Prague MLADA FRONTA DNES in Czech 12 Nov 91 p 2

[Miroslav Gruener report: "Privatization Statistics"]

[Text] Czech Privatization Minister Tomas Jezek yesterday aired his views on the current situation in privatization and on its future prospects. He managed to avoid answering a question on why he signed a communique accepting the assistance offered by Federal Finance Minister Vaclav Klaus in accelerating the approval process for projects. However, he emphatically repeated the reasons that led the Czech Government to extend the deadline for submitting rival projects to two months in all cases. "Let me reiterate that all the shareholding companies must be founded properly, that their articles have to be prepared, and that restitution issues have to be resolved," said Minister Jezek.

As far as the current state of work on dealing with privatization projects directly at the Privatization Ministry is concerned, according to Minister Jezek, the necessary data on restitution claims (there are 13,000 of them) has now been fed into the computers. Data on actual privatization projects will be fed into the computers' memory banks later. "We will begin to deal with the projects themselves at the end of November. We will give priority to considering the projects for coupon privatization."

The privatization statistics are as follows: To date, 20,786 business units have been included in small-scale privatization; 12,333 have been sold (3,232 with real estate). The starting prices amounted to nine billion korunas; the receipts came to 14.6 billion korunas. "As far as large-scale privatization is concerned, we approved and carried out seven public auctions. Five direct sales with proceeds of 1.7 billion korunas and two public tenders with proceeds of 10.5 million korunas have been prepared," said Deputy Minister Dr. Muron. The 30 billion korunas released from the National Assets Fund has been distributed as follows: 7.8 billion for the banks' recapitalization and 22.2 billion for writing off the enterprises' debts prior to privatization.

'Secret Report' Claims Meciar KGB Connections

LD1211224391 Prague CSTK in English 2156 GMT 12 Nov 91

[Text] Prague Nov 12 (CSTK)—A secret report by the Slovak parliament's Defence and Security Committee claims that at the request of KGB agents Vladimir Meciar tried during his tenure as Slovak interior minister to protect members of the former StB secret police by giving them jobs in the national police force (SNB—the National Security Corps).

The report, presented November 7 in the Slovak parliament, was labelled secret but parts were leaked to "RESPEKT", a Czech investigative weekly, which published them in the November 11-17 issue.

Allegedly Meciar, Slovak premier from June 1990 to April 1991 and now leader of the opposition Movement for a Democratic Slovakia (HZDS), told the committee that as head of the Slovak Interior Ministry from January to June 1990, he met about once a month with KGB officials stationed in Bratislava to "talk about cooperating".

A highly placed official who served in the ministry under Meciar said Meciar gave him a piece of paper with the names of three former StB agents, saying "the KGB would like these people to be rescued", meaning they were to remain in the service of the regular police force.

The committee's report interprets the statement as proof of the KGB's interest in preserving its influence in Slovakia after the overthrow of Czechoslovakia's communist regime in late 1989.

The report also says that Meciar reappointed to high posts 18 officers of the StB who were either demoted or dismissed after November 1989. In the selection of SNB officials, no attempt was made to ascertain whether particular individuals had connections to the StB, according to the report. The main criterion for selection was the individual's personal relationship with Meciar or with other high-ranking Interior Ministry officials.

Also favoured, the report says, were applicants who had served in the Socialist Youth Union (SSM). Meciar was head of the SSM in Slovakia in 1968. Following the Soviet-led Warsaw Pact invasion of Czechoslovakia in August of that year, he was removed from the post and had difficulties finding another job.

The committee said Meciar surrounded himself at the Interior Ministry with former members and agents of the STB, who then exerted influence in the selection of SNB personnel, many of whom came from the STB or were employed in the communist party apparatus.

Dienstbier on Interpretation of FRG Treaty

AU0911161491 Prague RUDE PRAVO in Czech 5 Nov 91 pp 1-2

["(ros)"-signed report: "An Agreement on Signing the Treaty With Germany Could Perhaps Be Reached on 27 November"]

[Excerpt] Prague—An agreement on a date for signing the treaty with Germany could be reached after the Council of Europe session, perhaps on 27 November. Foreign Minister Jiri Dienstbier made this statement at a news conference held in Prague on 4 November.

He said that, in view of the attacks made by Deputies Jansta and Dostal on the formulation in the new treaty about borders, he discussed this issue in Germany recently with his counterpart Genscher. According to Genscher, the term "staatsgrenze" (state border) makes a dual interpretation possible: A border between entities of international law and, for example, between Bavaria and

other laender. Therefore, according to the German foreign minister, the term "landesgrenze" (land border) will be used for borders between federal laender, and the term "grenze" will be used for borders with other states.

Dienstbier added that he personally regards the term "border" [hranice] in Czech to be sufficient. However, the term "state border" is usual for us. The attempts to speculate on this issue stem from a misunderstanding or have a different motive, said Dienstbier.

Federal Foreign Ministry Spokesman Lansky stated that, following a meeting between ministry staff and the deputies who have raised doubts, understanding for the other side's arguments has improved. He also stated that the Foreign Ministry will "continue to expand its information campaign" at the level of political parties, universities, and so on. [passage omitted]

Soviet Official Denies Sphere of Influence Claim

AU1211115791 Prague CSTK in English 1824 GMT 8 Nov 91

[Text] Prague Nov 8 (CSTK)—The counselor of the Soviet Embassy in Czechoslovakia, Alexander Udaltsov, today denied in an interview with CSTK allegations that Germany and the Soviet Union have agreed upon a division of spheres of influence in Czechoslovakia between the two states.

Reports on the alleged agreement were made public yesterday at a press conference of the Extraparliamentary Assembly in Prague by its Deputy Chairman Jan Kukacka.

Udaltsov called the reports "completely groundless".

Kukacka, who is also chairman of the Democratic Party of Czechoslovakia, said according to decoded information sent from Switzerland by facsimile machine, the Czech Republic lies in Germany's sphere of influence, while Slovakia is in that of the Soviet Union. He claimed the agreement was made as a result of the hostile policy of the current Czechoslovak Government towards the Soviet Union.

Udaltsov stressed that the Soviet Union's policy towards Czechoslovakia is well known and that its principles are anchored in a new Czechoslovak-Soviet treaty recently initialed in Prague.

Neutral Airspace Zone Established on SFRY Border

LD1311112291 Budapest Kossuth Radio Network in Hungarian 1100 GMT 13 Nov 91

[Text] A fresh report has just come in from Subotica: The Defense Ministry has announced that a neutral airspace zone will be designated along the Hungarian-Yugoslav border, and the two sides will establish continuous contact. This was agreed in Subotica by Yugoslav as well as Hungarian air defense and aviation military experts.

Ministry Offers EC Help in SFRY Arms Embargo

LD1211234691 Budapest MTI in English 1717 GMT 12 Nov 91

[Text] Budapest, November 12 (MTI)—"Hungary has offered the European Community help in supervising the Yugoslavian arms embargo," Hungarian Foreign Ministry spokesman Janos Herman told MTI today after talks at the Foreign Ministry. A September 25 UN Security Council resolution ban on arms deliveries to Yugoslavia because of the civil war there. [sentence as received] Hungary offered technical assistance for possible EC actions in Hungarian territory. Members of the EC mission said that they would notify their Zagreb centre of the offer.

Jeszenszky: Hungary Plans No Interference in SFRY

LD1311025391 Budapest MTI in English 2036 GMT 12 Nov 91

[Text] Budapest, November 12 (MTI)—"Hungary has no wish to interfere in the conflict of south Slav peoples and strives to maintain good relations with all of them," Foreign Minister Geza Jeszenszky said in a speech at the conference of the Hungarian Democratic Froum in Szeged on Tuesday.

He stressed that Hungary cannot be dragged into conflicts, and that the European democracies would not allow anybody to attack the country.

With regard to Romanian-Hungarian relations, he said that Hungary tried to be helpful during the Romanian revolution and afterwards, but to little avail. A huge responsibility lies with the Romanian politicians and journalists who forestalled a reconciliation of historic significance and made part of the Romanian people believe that the Hungarians are their enemy, he said.

Comments on Bombing of Barcs

AU1311092191 Budapest NEPSZABADSAG in Hungarian 9 Nov 91 p 3

[Interview with Foreign Minister Geza Jeszenszky by Laszlo Rab in Nagykanizsa on 10 November: "Managers' Conference in Nagykanizsa—The Foreign Minister Is Concerned About the Barcs Affair"]

[Text] President Arpad Goncz and Foreign Minister Geza Jeszenszky are the patrons of the Alps-Adria regional conference and exhibition held in Nagykanizsa. All the lecturers, and primarily the foreign ones, shared the opinion that Hungary has great economic opportunities and it should make use of its regional geographic advantages.

The mood of the audience changed slightly yesterday when rumors spread that Kanizsa would also be bombed after Barcs "has already received a warning." These rumors perhaps spread because the organizers of the conference expected the arrival of Geza Jeszenszky, who gave us an interview shortly before going to press:

[Jeszenszky] I totally exclude the possibility of such a deep penetration. I do not think that this is possible because Hungary's air defense is functioning. I do not want to qualify the Barcs incident, but it is a fact that this incident led to considerable international reaction.

[Rab] The Hungarian public was greatly surprised by the possibility of an "intentional attack." Does the Foreign Ministry have already an official position on the issue?

[Jeszenszky] This phrase originates from the military experts and it means that the aircraft carrying out the bombing was aware of the fact that it was dropping bombs on a settlement that was not blacked out, and it probably was also aware of the fact that this settlement was on Hungarian territory. In my opinion, this does not mean at all that it carried out some sort of central order. This was probably an isolated local action that I cannot explain, but I do not think it is possible that the bombing of Barcs was the beginning of a major attack.

[Rab] What diplomatic steps are to be expected next week?

[Jeszenszky] The Barcs incident is a very important warning for Hungary's southern area, as well as an alarming phenomenon. Actually, we are talking here about a more serious and irrational war that concerns the whole of Europe, and even the whole world now. Everyone is aware of the need to put an end to this war. Accordingly, the UN Security Council will also deal with the crisis in Yugoslavia next week.

Danube Shipping Supervision With SFRY Halted

LD1111114391 Budapest Kossuth Radio Network in Hungarian 1100 GMT 11 Nov 91

[Text] Hungarian border guards' security cannot be guaranteed by the authorities on the Yugoslav side of the border. Thus, from today, joint supervision of ships on the Danube has ceased at the (Bezdan) crossing point, and Hungarian border guards, police and customs officials will instead carry out their work in Mohacs. Danube shipping travel will now probably be significantly slower on the Hungarian-Yugoslav border because of dual supervision.

Foreign Ministry Welcomes NATO Summit Results

LD1211190191 Budapest MTI in English 1350 GMT 12 Nov 91

[Text] Budapest, November 12 (MTI)—"Hungary welcomes the Rome NATO summit results, which promises considerable transformation of the role and institutional system of relations of the North Atlantic Treaty. Particularly welcome is, after eliminating East-West opposition, a broader interpretation of security has gained ground to the reshaping military and political approach," Hungarian Foreign Ministry spokesman Janos Herman said at a press briefing today.

"Under the Hungarian evaluation, the new institution outlined in Rome, the North Atlantic Cooperation Council, will be a significant starting point in intensifying relations between NATO and the new democracies. Hungary hopes for an active, initiating role in this dialogue. Hopefully, the intensification of relations can lay the groundwork for the European cooperative security system, which could include the structures of the Helsinki process, and the related institutions of the EC and the Council of Europe."

The spokesman also said today's talks will include discussion with an EC delegation about the Hungarian request to station EC Yugoslav observers along the Hungarian-Yugoslav border. Also the Danube Committee will discuss shipping problems along the Yugoslav section of the Danube, at a special session to be held within ten days.

Another, unrelated meeting will be held in Budapest on November 18-19 for preparing the Hungarian-German basic agreement.

In another development, Bela Javorszky, Hungarian ambassador to Helsinki, has been accredited to the Baltic republics. Andras Marton has been appointed consul general to Los Angeles, Sandor Regos to Stuttgart.

Antall Outlines Foreign Policy Strategy

AU1211172491 Budapest MAGYAR NEMZET in Hungarian 8 Nov 91 p 3

[Report by Zoltan Krasznai: "Jozsef Antall on Hungarian Foreign Policy Strategy—Our Aim Is To Help Combine European and Atlantic Thought"]

[Text] On the airplane on the way home from his official visit to Egypt, Prime Minister Jozsef Antall answered questions from Hungarian press representatives.

Answering the MAGYAR NEMZET correspondent, Jozsef Antall outlined the main elements of the Hungarian Government's foreign policy strategy. Since its formation, the government considers it a basic point of its foreign policy to settle its relations with the European Community and to institutionally raise the level of these relations. It is well known that our association with the EC and—later—joining the EC are steps we intend to take. This policy is inseparable from strengthening our relations, which are also rather important from an economic point of view, with the North American area—the United States and Canada.

With the Soviet Union and the other former CEMA countries, the Hungarian Government is striving for relations that assert our economic interests while not curbing our sovereignty, Jozsef Antall said. He added that it was worth mentioning in connection with this that the August coup attempt in the Soviet Union and the changes that took place since then completely justify the Hungarian Government's foreign policy, be it the disbanding of the Warsaw Pact or CEMA.

Talking about Polish-Czechoslovakian-Hungarian cooperation, the prime minister stressed that this was not an alternative to European integration. Strengthening relations between the "troika" does not stop Hungary from striving for good relations with other former communist countries in Eastern Europe as soon as the development of their political system and the direction of their foreign and domestic policy become clear. It is a basic issue that the democratic processes be strengthened in these countries and, as a result, that respect for the right of nations to exercise self-determination be expressed in their foreign and domestic policy.

After these countries, the Middle East area, which is strongly connected to Europe, comes next in Hungary's security. Relations with the Middle East form an organic part of Hungary's European and Atlantic policy. We develop relations with the various countries of this area according to our economic interests. Previous relations that were contrary to Hungarian interests and were encouraged as part of the prevailing Soviet foreign policy concept will inevitably be pushed into the background.

According to Jozsef Antall's assessment, it is inevitable for NATO to create a long-term comprehensive security strategy for Europe and the Middle East. The central European region might have a key role in this strategy. In connection with this issue, Antall emphasized that stronger relations between NATO and an integrated Europe have a decisive importance for Hungary, and Hungarian diplomacy is aimed at trying to do everything possible to promote these relations. Antall added that we had to understand that we were at the beginning of a long period of transformation. The essence of this process is that the Western defense system is facing a destabilized Soviet Union and a collapsed communist system in place of an expansive Soviet Union and the communist bloc.

This means new tensions and requires new thinking in NATO. Hungary is fundamentally interested in the establishment of this new thinking. Therefore, it wishes to stimulate this process. Naturally, the changes will not take place overnight, but this is precisely the reason why we should make our stand clear. At the same time, we also have to notice that the way of thinking in the NATO countries has considerably changed in the past months.

A large proportion of their present statements would have been inconceivable one or two years ago, Jozsef Antall concluded his thoughts on Hungarian foreign policy strategy.

Army Commander Notes Improved Ties With Romania

LD1211222591 Budapest MTI in English 1945 GMT 12 Nov 91

[Text] Budapest, November 12 (MTI)—Relations between the Hungarian and Romanian armies, having reached their lowest point after the December 1989 massacre in Timosoara and the subsequent Romanian revolution, have greatly improved and are now good, Lieutenant General Bela Gyuricza, commander of the Hungarian land troops, told journalists at a news conference in Hajduhadhaza today. The journalists were invited to attend the opening of a modernized shooting ground formerly used by Soviet troops.

Recently representatives of the Romanian troops stationed on the other side of the border took part in a public military oath ceremony in Debrecen, and officers from the east Hungarian city visited a Romanian unit. Gyuricza said that military links which once proved to be effective (in 1989) should be maintained under any circumstances.

"A favourable relationship between soldiers could also have a beneficial impact on the political sphere by curbing extremist manifestations," he said. He added that since the late October attack on Barcs the army had been on increased alert, assisted by the border guard and the police, along the southern stretch of the border in order to reassure the alarmed population.

Interior Ministry Signs Agreement With CSFR

AU1311101491 Budapest MTI in English 1910 GMT 11 Nov 91

[Text] Budapest 11 Nov (MTI)—An agreement for permanent cooperation between the ministries of the interior of Czechoslovakia and Hungary was signed by Czechoslovak Minister of the Interior Jan Langos and his Hungarian counterpart Peter Boross today.

At the meeting, the sides discussed regional tensions, particularly the Yugoslav crisis, international crime and the possibility of new border stations between the countries.

The current refugee influx poses a grave problem to Czechoslovakia, Langos said, adding most difficulties arise from the large number of Romanians who wish to go on to the west. Nearly 40,000 ethnic Hungarians from Romania settled here over the past two years, meanwhile the number of Croat refugees has topped 30,000.

Finally, the sides agreed the significance of secret services like the KGB and CIA was overestimated in the east-central European region. "It is hard to imagine these organizations have any important influence on regional domestic affairs," Boross said.

The Czechoslovak-Hungarian talks were reported to be held in an atmosphere of mutual benevolence.

Ministry Reports Trade Figures With Germany

LD1211155391 Budapest MTI in English 1228 GMT 12 Nov 91

[Text] Budapest, November 12 (MTI-ECONEWS)—Hungary's exports to Germany were 1.663 billion dollars in the first nine months of the year, 56.2 per cent up on the same period of 1990. Imports from Germany totalled 1.614 billion dollars in the first nine months, a rise of 70.5 per cent over the same period of 1990.

The structure of Hungarian-German trade has changed considerably this year, an official of the Ministry of International Economic Relations told MTI today. While materials and semi-finished products continued to dominate Hungarian exports to Germany, the proportion of these goods fell from 41.1 per cent to 37 per cent in the year up to the end of September. Consumer goods ranked second with 32.8 per cent, an increase of almost 60 per cent on last year's 20.8 per cent. Foodstuffs made up 19.9 per cent of Hungarian exports as compared to 18.9 per cent last year. Hungarian exports of machinery amounted to 160 million dollars in the first nine months and comprised 9.8 per cent of total exports as against 12.1 per cent last year. The share taken up by energy exports fell from 3.1 to 1.5 per cent.

Materials and semi-finished products made up 44.5 per cent of imports from Germany compared to 60.5 per cent in the first nine months of 1990. Imports of consumer goods increased from 10.8 to 28.4 per cent, an almost four-fold growth in dollar terms to 500 million dollars up to the end of September. Imports of machinery represented 24.2 per cent of the total, a slight drop from last year's 26.7 per cent. Food imports made up 2.2 per cent and energy imports 0.7 per cent of the total, compared to 1.9 per cent and 0.1 per cent of the same period of 1990.

Of Hungary's 9,000 joint ventures, 2,000 involve German partners. The total German investment is between 300 and 400 million dollars, making Germany the second biggest investor in Hungary after the USA. Both exports and imports are expected to exceed 2 billion dollars this year. The territory of the former East Germany takes less than 10 per cent of Hungarian exports to Germany.

Defense Secretary Raffay Views Army Reform Needs

AU1211125291 Budapest MAGYAR HIRLAP in Hungarian 9 Nov 91 p 9

[Interview with Erno Raffay, political state secretary at the Hungarian Defense Ministry, by Dezso Pinter; place and date not given: "Anything Can Happen in This Region"]

[Excerpts] [Pinter] Opinions about the technical backwardness of the Hungarian Army are generally similar. In your view, to what extent is the current situation alarming?

[Raffay] The past one and a half years were quite enough to convince us of something that was already correctly reported to us immediately after our taking office. The power and technical level of the weapons of our land forces are similar to those in the armies of the neighboring countries. The former Warsaw Pact member states have mostly uniform weapons. These countries purchased Soviet-made weapons or weapons manufactured on the basis of Soviet licenses. I must mention separately the T-72 tanks, which are of considerable quality regarding combat value, fire power, and precision. However, we have serious problems with our infantry carriers and, according to some, it is not certain that most of our armored troop carriers would be able to leave the barracks in case of need. In this area, there are considerable differences between the armies of this region, to our detriment.

[Pinter] Analyses according to which Hungary's Air Force gives most cause for concern have already been published in the West. Do you accept this opinion?

[Raffay] Definitely. The fact that we mainly compare ourselves with our neighbors originates from rationale rather than any hostile intent. The CSFR, Romania, and Yugoslavia have incomparably more combat aircraft than the Hungarian Air Force, and our lagging behind is considerable not only in the number of aircraft but also in their quality. The fact that our air defense missiles were built 20-30 years ago and have now become obsolete also adds to this problem. The missile batteries deployed to defend Budapest and some other important areas have long been discovered. We must think of the worst and unlikely scenario too, namely an attack directed against us. In such a case, these missile positions would be quickly destroyed. Despite our relatively modern fleet of combat helicopters, our interceptor air force is so small that a greater air attack would present an extraordinary risk, and we do not have bombers at all.

[Pinter] Have you already determined in detail the size and equipment of the Hungarian Army?

[Raffay] The government has already discussed Hungary's new military doctrine. The Defense Ministry will submit it to the National Assembly soon and we call it our new security policy concepts. This new security policy to be adopted by parliament will determine the objective of our army—obviously to guarantee the sovereignty of Hungary and the inviolability of our borders—and details will only be made public after that. Naturally, this work is still going on and many experts have already formulated and summed up their opinions about the desirable weapons, organization, and budget of the Hungarian Army. As a result of this activity, a structure has emerged that we want to implement. Together with Budapest, Hungary would have four military districts and these districts would become an army corps in case of war. Army brigades would be set up within these four districts, and there would be three types of brigades. The so called rapid reaction and immediate deployment brigades could be deployed in the front line within one or two hours in case of war. According to our plans, these brigades would be equipped with the most modern weapons. The second type would be the training brigades, and the third type would be the reserves, namely the brigade that would guarantee Hungary's defense in the second or third line.

[Pinter] What does your budget allocation cover?

[Raffay] We received 54.5 billion forints from the budget this year, and this amount will probably increase to 60 billion forints next year. Taking inflation and price increases into consideration, we think we will have to manage with practically less money next year. The fact that we have to use 91 percent of our budget allocation for maintenance and repairs and only 9 percent is left for purchases and development clearly shows the backwardness of our weapons system. It is simply impossible to purchase modern technology with so little money. [passage omitted]

[Pinter] Do you expect that the security policy issues of central-eastern Europe will become more prominent in the near future?

[Raffay] If the situation does not become settled in the first half of the 1990's and if national minority conflicts do not cease then we must expect more security policy risk factors. The Warsaw Pact and the Soviet Union suppressed the open discussion of ethnic issues and the search for solutions. Now, various nations are trying to assert their supposed or true national interests in various ways, including, as the Yugoslav example shows, the use of weapons. If Western Europe, the NATO countries, and the United States do not pay more attention to Eastern European issues than they do at present then security policy risks will gradually increase and become permanent in this region. Therefore, we have to develop our Army to a level that will secure Hungary's defense. Defense, and only defense, because we do not have aggressive intentions. We are trying to create a security net with our neighbors, and we have signed a military confidence-building agreement with Romania, in spite of the obvious and increasing conflicts resulting from the situation of Hungarians living in Romania. We have also signed agreements with the CSFR and Austria, and we will sign a similar document with the Soviet Union within an interstate agreement. It is only Yugoslavia with whom we have not managed to complete any kind of confidence-building agreement.

[Pinter] You mentioned obvious and increasing conflicts in the case of Romania. Under these circumstances, is it not a mistake to have illusions about the signed document?

[Raffay] Your question is justified because armies are a tool of politics—other than in Yugoslavia, where the Army has become independent. However, there is also a reciprocal effect here, because it is more difficult to draw armies into possible political adventures if they have a good relationship. A rather important aim of our agreement is to resolve problems as they arise through diplomatic channels, no matter how much debate this requires. In spite of all our efforts, we have not been able to achieve any results with Yugoslavia, we do not have an agreement, and that is their will. The events are known and the situation is so dangerous that anything can happen now: airspace violation, launching rockets above Hungarian villages, shelling, firing across to Hungarian territory from Yugoslav territory, and who knows what the future will bring. I do not by any means want to accuse anyone of aggression but the facts (for example Barcs) speak for themselves. We have to guarantee our defense and we need adequate weapons to do that. We cannot delay matters very long. We have short-term and long-term tasks. The short-term tasks are directed toward averting an armed conflict between Yugoslavia and Hungary. The long-term tasks are also obvious, because they aim at establishing good relations whether our partner is Yugoslavia, a federation, a confederation, or even independent republics.

[Pinter] In your assessment, in these rather frightening days, will there be peace in Hungary in the coming years?

[Raffay] In the current historical period, the most important thing for Hungary is to come out of the crisis and then to become stronger. The critical period will last until we gain in economic-military strength: What happens until then? Hungarian foreign policy carries an extremely great responsibility and, in my view, it usually tackles its most important tasks. In my view, it is of decisive importance to ensure peace under all circumstance until we (also) become strong militarily. Lest anyone misunderstand my words, the aim will naturally remain the same after that, too, but it is much easier to assert our basic interests if we have a strong Army behind our politics. It is clear to everyone that, after almost 50 years of suppression, the economic and national interests of central, eastern, and southeastern European nations must freely assert themselves, which also means that we will have crisis after crisis in the next five to 10 years. I can only hope that all this will not have any military consequences. One thing is certain, though, that our current political and military leadership is united and determined, and our Army is capable of defending Hungary. [passage omitted]

[Pinter] In your assessment, to what extent do the Hungarian parliamentary parties have different opinions about the Hungarian security policy concept?

[Raffay] Political and professional debates so far show that there are not considerable differences in the basic issues. We have similar views on the use of the Army and on doctrine. Deciding the kind of relations we should have with our neighboring countries is a source of more debates.

[Pinter] What effects does the domestic political struggle have on the life of the Army?

[Raffay] In my experience, the vast majority of officers are not involved with politics, and I approve of that. Officers and warrant officers are occupied with issues relating to the reform and reorganization of the Army, rather than the storms of politics or a parliamentary battle. [passage omitted]

Socialist Party Favors Public Control of Media

AU0911162791 Budapest NEPSZAVA in Hungarian 6 Nov 91 p 5

["D.D."-signed interview with Hungarian Socialist Party official Ferenc Kosa; place and date not given: "The Only Way of a Sovereign Radio and Television Activity"]

[Text] The draft bill on mass media has been in preparation for almost one year. The Hungarian Socialist Party [MSZP] came up with an interesting proposal in the final phase of the draft preparation: The mass media should work in the form of a public service foundation. We asked Ferenc Kosa about this proposal:

[Kosa] Public radio and television services should be protected from any kind of monopolization. These services should also be protected against local government or foreign influences. State monopolization would be dangerous because it would deprive society from the right of exercising control over the public service television. Corporate monopolization would be dangerous from the viewpoint of our national sovereignty. Therefore, our proposal totally differs from the proposal of the governing parties for state ownership and the liberal parties' concepts of a free market stock corporation solution.

[NEPSZAVA] What if our mass media worked in the form of a public foundation?

[Kosa] A background law should first be established for the creation of such a foundation. The composition of the board in charge of this foundation should represent all levels of society. This body would be set up by delegates of society, parliamentary parties, and professional bodies. Thus, no economic or political force could monopolize the power of information.

[NEPSZAVA] Would there also be an executive council, supervisory committee, and radio and television office in the foundation, bodies that represent important issues in the current draft bill?

[Kosa] If the foundation and the public representation work according to strong and precise criteria, those other bodies would be insignificant. There would be an economic directorate in charge of solving economic tasks,

and a trade directorate to carry out the commercial tasks. If they existed at all, the so-called radio and television office and other such bodies would no longer represent the political center. If we succeed in agreeing on the issue of national ownership, everything else will be easier to solve because this would completely exclude the possibility of abusing power.

[NEPSZAVA] Do you regard this proposal as utopian?

[Kosa] Perhaps this still appears to be a utopian proposal in Hungary today. I am well aware of the supervisory system of the public service television in Western Europe, and there are similar examples working in Western countries. The essential thing is that the struggle for control of the media should finally stop.

[NEPSZAVA] If I am not wrong, the Alliance of Free Democrats [SZDSZ] has offered its experts to assist in the detailed formulation of your proposal.

[Kosa] That is true, and the Hungarian Democratic Forum [MDF] also signaled that they might be interested in this thing. The idea of public ownership and a public foundation is clearly socialism, thus, it does not surprise me at all if the leading parties are reluctant to receive this proposal. I am convinced that this is the future and can be the only way of securing media sovereignty.

Kupa Assesses Economic Prospects for 1992

AU0911173591 Budapest MAGYAR NEMZET in Hungarian 7 Nov 91 p 11

[MTI report: "According to Kupa, 1992 Could Be a Key Year"]

[Text] The financial and economic laws of primary importance for a market economy will be available at the beginning of next year. Thus, the basic conditions have already emerged, even if they need further development. All this was said by Finance Minister Mihaly Kupa while evaluating the economic performance of 1991 at the Breakthrough-1992 conference held in the Budapest Conference Center on 6 November. Kupa also said that privatization had spread, accelerated and exceeded the impasse caused by the state bureaucracy. Market activity has also increased, and there are 110,000 corporate and non-corporate associations, 400,000 private ventures, and 10,000 foreign mixed enterprises in Hungary today. The entrepreneurs' ability to adjust has also improved and they are now performing well.

The fact that the population has saved 180 billion forints this year has broadened our economy's internal balance and the scope of our monetary policy. This also shows that people are cautious and save more in order to guarantee their future. According to Kupa, this indicates a lack of confidence in the government. However, it also means that the population hopes to invest its money after the legal and institutional irregularities are overcome. The fact that the forint is practically convertible in non-capital transactions and the interest on saving accounts is more favorable than in the case of foreign currency accounts also encourages saving. In Mihaly Kupa's opinion, the population learned a lot about the "market economy" because most of their savings is in shares rather than cash.

Speaking about 1992, Mihaly Kupa said that, along with a wise parliamentary and government attitude, namely, concentrating on the economy, 1992 could be a key year for the Hungarian economy. The basis of this prediction is that, hopefully, we will not have to face foreign shocks like the collapse of our Eastern trade. The government is not planning any internal measure that would upset our price system, greatly increase inflation, and disturb our economy. We expect a market increase from our EEC partnership, albeit not a spectacular one. According to our research, either trilateral aid agreements or new types of direct business contacts with individual republics could bring results in the Eastern markets.

According to Kupa, the Hungarian economy will be able to show a modest increase in 1992 while improving, rather than deteriorating, its external balance. Hungary can gain a first class position on the basis of debt repayments calculated in our exports. There are chances of slowing down the increase in inflation and gradually reducing interest rates.

Parties Continue Talks on Formation of Government

LD1311040191 Warsaw PAP in English 2324 GMT 12 Nov 91

[Text] Warsaw, Nov. 12—Consultations between the Liberal-Democratic Congress, the Centre Alliance and the Democratic Union [UD] continued on Tuesday in the Belvedere Palace where President Lech Walesa was trying to sound the possibilities for the formation of a coalition government under his premier-designate Bronislaw Geremek of the Democratic Union. Premier Jan Krzysztof Bielecki and Bronislaw Geremek took part in the talks.

Meanwhile, informal consultations took place in the Centre Alliance (PC) headquarters on setting up a centre-right coalition with a view to forming a government with the Christian National Union (ZCHN), the Confederation of Independent Poland (KPN), and the Peasant Agreement (PL).

The above meeting was also attended by Jacek Kuron of UD who left however after a short while without a comment for the press.

PC leader Jaroslaw Kaczynski said the delegation of his party had walked out of the consultations in the Belvedere Tuesday morning because it did not see any point to continue the discussions. He claims that "the Bronislaw Geremek government would be just another version of a continuation, and the continuation is precisely what the electorate rejected."

Kaczynski also declared his party would not accept the division of the church from the state as a precondition to enter the Geremek government.

At the same time the PC leader came out against the candidature of the outgoing Prime Minister Jan Krzysztof Bielecki as one who "over the recent months pursued the policy of continuation" and thus "was not fit to the policy of change." Kaczynski declared, however, that his party would be very glad if Bielecki's party, the Liberal Democratic Congress, would take part in other (consultative) meetings.

In Kaczynski's view the Democratic Union should participate in the new government and play a constructive role in it. In this context he mentioned Aleksander Hall, the minister for contacts with trade unions in the Tadeusz Mazowiecki government. But he insisted on Jan Olszewski of the PC becoming the prime minister.

Also today premier designate Bronislaw Geremek met leaders of the Polish Party of Beer Friends Janusz Rewinski, Andrzej Czernecki and Zbigniew Eysymont. After the meeting the former said that it focused on the country's economic policy, adding that his interlocutors shared his views in this respect.

"I have found understanding for the need to animate the economy on the part of my partners, this referring both to the privatisation programme and clear legal and taxation systems," Geremek stated.

Despite inconclusive negotiations, big programmatic differences between parties participating and numerous difficulties faced by Prof. Geremek in forging a government coalition Andrzej Drzycimski, presidential spokesman, told newsmen that President Lech Walesa was determined to present to the Sejm the candidature of Prof. Geremek for prime minister at the inaugural sitting of the lower house of the parliament on Nov. 25.

PC's Maziarski Views Talks

LD1211204291 Warsaw Radio Warszawa Network in Polish 1800 GMT 12 Nov 91

[Interview with Center Alliance Secretary General Jacek Maziarski by unidentified reporter on 12 November; place not given—recorded]

[Text] After almost two hours of talks today, the leaders of the Center Alliance [PC] left the Belvedere Palace. I have just been speaking about this with Jacek Maziarski, the secretary general of the Center Alliance:

[Reporter] What caused the PC to leave the meeting at Belvedere Palace?

[Maziarski] The total difference of views. Continuation of this dialogue, with the repetition of these same arguments, was pointless because, in our view, the initiative of Professor Geremek does not hold much chance of creating a government, a government that would correspond to the expectations of the voters.

[Reporter] But why did the liberals [Liberal Democratic Congress] remain at Belvedere Palace? They created one front together with you and supported the lawyer Olszewski as candidate for prime minister.

[Maziarski] I cannot say here; I would have to be in the leadership of that party. I can only observe their behavior, and indeed I confirm the two-sidedness of their behavior, but they maintain political contact with us all the time as well.

[Reporter] What did the meeting of the PC deputies and senators bring and, I think, the consultative meeting with representatives of other groupings that wish to form a coalition together with you?

[Maziarski] These must kept apart. First, there was indeed a meeting of our parliamentary club, that later issued a statement. In this statement, we find the maintenance of this political enterprise of ours, that is the building of a coalition government, the maintenace of the assumptions behind this government, and namely the assumptions of the implementation of an about-face in economic policy, and the assumption of a break with the legacy of the Polish People's Republic. This statement also stresses our disinclination toward participation in a government created by the Democratic Union [UD].

[Reporter] And this second meeting?

[Maziarski] This meeting was a working meeting, one of many, these now almost daily meetings of the heads of coalitions.

[Reporter] Nonetheless, is it not the case that, if the president is insistent on support for Professor Bronislaw Geremek, then the PC might bend?

[Maziarski] Well, unless some utterly extraordinary circumstances should develop, like an invasion of our country or else something that would place the entire situation in another light and would, for instance, force the seeking of extraordinary solutions—according to my estimation nothing of this sort is for the time being taking place, either in Europe or in Poland, for there to be talk of extraordinary situations. If such extraordinary situations do not occur, then we, of course, do not intend to take part in this.

Balcerowicz Discusses Record on Economy

AU1211182391 Warsaw RZECZPOSPOLITA (Economy and Law) Supplement in Polish 8 Nov 91 p III

[Interview with Deputy Prime Minister and Finance Minister Leszek Balcerowicz by Piotr Aleksandrowicz; place and date not given: "A Model Leadership"]

[Text] [Aleksandrowicz] Private ownership and a market economy are the hallmarks of the new system. What stage have we reached in the process of transformation?

[Balcerowicz] We have gone further in establishing a market economy than we have in privatization. Nevertheless, our market is still not perfect. We have a producer market and free prices, we have the beginnings of a money market, and we have a faulty labor market without genuine employers, i.e. employers geared to make profits.

One should not underestimate the progress in privatization. Some of this progress has already been forgotten, e.g. the privatization of the retail trade and a major part of the services sphere. But only a relatively small part of industry has been privatized. In particular, large enterprises are still not private. There is a lot more to be done in this sphere.

[Aleksandrowicz] How long will the transformation take? Is it possible that it will never be complete and that the market will be a half state-owned and half private hybrid?

[Balcerowicz] That might happen if those in favor of statism, state control over the economy, have their way. These people oppose privatization and are doing their utmost to preserve every single job at all costs.

[Aleksandrowicz] How dangerous is this statism?

[Balcerowicz] Very dangerous. To a certain extent, it depends on political interests. There are many people inside state enterprises, and they form a sizable electorate; therefore, they have to be told things they like to hear, including promises that their jobs will be saved. This is shortsighted, because such a policy makes the economy inefficient, and rather than protecting these people's jobs, it condemns them to the labor exchange. Sometimes this statism is the result of the belief that used to be widespread among Third World countries, whereby if there is a great problem, it can only be solved by an institution of appropriate size, i.e. the state. Also, the advocates of statism are sometimes critical of the state apparatus, officials and the bureaucracy.

The problem in Poland is that the state must not only perform its ordinary functions, as in every other country, it also has to give impetus to the transformations. Therefore, it is overburdened with work. Heaping additional tasks that originate from sociclism on it, e.g. management over enterprises, would lead nowhere. And yet that is exactly what the statists want the state to do.

[Aleksandrowicz] Let us take a look at Poland and other Central European countries. At first, in 1990, it looked as if Poland was ahead of the others with its changes. Is that still the case, or have the reforms slowed down? That seems to be the impression.

[Balcerowicz] We started off from a worse position than Hungary. Hungary already had 20 years of attempted reforms behind it, but it had no hyperinflation. Later, we overtook Hungary by making the zloty convertible, introducing a liberal model of foreign trade, and privatizing retail trade and services. Right now, the other countries are catching up. In Hungary, the so-called spontaneous privatization is encountering less opposition; Hungary is clearly more pragmatic in this respect.

As for Czechoslovakia, it seems that the program of economic stabilization is being implemented successfully there. The Czechs and Slovaks have an easier situation—even during economic centralism, they pursued a sensible monetary policy. As for privatization, we shall have to see. Czechoslovakia has introduced a system based on privatization vouchers, and many large enterprises have been prepared for privatization. Progress will be evident there soon.

[Aleksandrowicz] Nevertheless, one gains the impression that the economic changes in Poland have slowed down this year.

[Balcerowicz] I would not say they have slowed down. I would say that the speed of various processes have altered in relationship to each other. That is not the same thing. Two changes of government and a short span of activity do not exactly encourage a successful implementation of fundamental changes.

[Aleksandrowicz] The changes of government are not the only reason. Everyone agrees that at the beginning of last

year there was a major spurt of economic changes, after which everything began to slow down. Do you agree with that?

[Balcerowicz] Yes, that is true to a certain extent. At the end of last year, we made a big change to our economic course, as a result of which rapid changes to the market took place. Stabilization, the overcoming of hyperinflation, the abolition of central distribution, the introduction of a convertible zloty, and the new freedom of foreign trade brought very big changes in a very short time. The market changed, as did access to consumer goods. Now the changes are slower, because this time they are taking place inside enterprises, and everything proceeds more slowly in enterprises than in shops.

We have solved the question of the market and access to goods, though we might spoil what we have achieved. Purchasing power, the product of economic changes, will take longer to improve.

[Aleksandrowicz] There is a general tendency to separate economics from politics. Is that the right thing to do at a time of political change, or should politics influence changes to the economy?

[Balcerowicz] It is obvious that politics influences economic issues, but the path of this influence depends on the political system in force, which creates a system of personal interests, which in turn dictate decisions. In that respect, our political system is not the best. The election code introduced representatives of very many parties to Parliament, and it is now necessary to form a coalition government consisting of several groups. Of course, it will be difficult to coordinate stances and even to adhere to a common stance.

This may make it difficult to pursue an unopportunistic economic policy. An opportunistic policy is one that to eliminate a problem in the short term creates a new problem in the long term.

[Aleksandrowicz] Are you saying that it is impossible to create a democratic system and a new economic system at the same time?

[Balcerowicz] That is a great topic, democracy and the economy. There is a democratic system that employs an election code based on a simple majority, and that would be the most efficient system.

[Aleksandrowicz] And would it be efficient for Poland?

[Balcerowicz] One can imagine a kind of democratic system that creates the right conditions to implement tough reforms. We have to see how things continue. I do not think the evolution of the political system in Poland has been very fortunate so far.

[Aleksandrowicz] With an election code based on a majority, the political setup would be more straightforward, but what is needed more? A parliamentary majority of deputies who think alike, or society's understanding of and support for the reforms?

[Balcerowicz] One and the other.

[Aleksandrowicz] In that case, can one expect broad social support for the reforms? In 1989, this support was certain, but is that still the case today?

[Balcerowicz] No, this support is not as great as it used to be. The first effects of the reforms have occurred quickly, but one cannot expect further major changes to occur just as quickly. At the same time, negative phenomena have begun to appear in connection with the establishment of a new economic system and on account of unfavorable foreign circumstances. In such conditions, it is understandable that social support for the reforms is not so great. The politicians have to see to it that this support does not expire. That is a great challenge for them.

[Aleksandrowicz] But what are they to do if roughly only 20 percent of society is in favor of changes, of privatization, and understands that one cannot expect a rapid improvement in the standard of living. The remainder would like to escape from grim reality in a variety of ways—inflation, preserving the status quo. Should political elites subordinate themselves to the will of the majority, or should they use the modest support that they have and force through change?

[Balcerowicz] Why should they force through change? There are two models of politics available in a democratic system. One model is based around reflecting directly what is termed the prevailing mood or opinion. The second model is about leadership, about trying to shape attitudes and win people over through political activity. Which model will be employed in practice is up to the politicians.

[Aleksandrowicz] Does that mean that today's politicians, whose support is diminishing, are to continue to proceed in the direction that they have deemed to be right?

[Balcerowicz] The politicians are confronted with a difficult choice and, in making it, one has to know where making no attempt to continue previous policies will lead us.

[Aleksandrowicz] It will be a road leading nowhere.... That is, it will lead to something?

[Balcerowicz] It may mean a return to high inflation, a return to what was the point of departure. If the road to nowhere means putting a stop to privatization and removing competition from the economy, that will essentially lead to a drop in the standard of living. Besides, this road to nowhere may lead to both these phenomenon at the same time.

[Aleksandrowicz] In that case, what is going to happen in Poland over the next few years? What do you forecast?

[Balcerowicz] Well...

[Aleksandrowicz] It is something that everyone is thinking about, including you.

[Balcerowicz] There will be no significant improvement in the standard of living, even according the most optimistic scenario. On the other hand, a gradual reversal, although it is not a foregone conclusion, of the recession is possible. External factors will cease to be the main element of uncertainty. For example, I would not expect an improvement in the eastern market, but the situation cannot get much worse. Internal factors are the uncertain elements, political ones, such as what kind of government or governments will be formed and what kind of economic policy will they pursue in three areas: What will be their position on inflation, privatization, and competition, including foreign competition. If the policy that is pursued is even unintentionally inflationary, if privatization is abandoned, and if competition is severely limited, then the economic situation would undergo a very marked deterioration in every respect. What has been achieved thus far would be undermined without any gains in the form of an improvement in the standard of living.

[Aleksandrowicz] You have not answered my question completely. What will the history textbooks say in thirty years' time about the years 1992-95?

[Balcerowicz] There are such things as self-fulfilling prophecies, so perhaps it better not to make any predictions.

[Aleksandrowicz] Over the next few years, most people will not experience an improvement in their standard of living....

[Balcerowicz] .....Yes, they have to be told the honest truth.

[Aleksandrowicz] So what can one actually say to the average person with average skills, that is, the people who constitute the majority in any society, including Polish society. Is there anything they can count on, or does the world of politics and economics have nothing to offer them?

[Balcerowicz] It can offer them prospects on specific terms, that is, prospects that depend on meeting certain difficult conditions regarding politics and everyday life. One of these conditions is that consumption should be curbed in favor of investment, because that is what will determine the standard of living in the future.

The rate at which wages increase will have to be checked, as will state budget expenditures. Some difficult changes regarding the ownership of enterprises will have to be made.

I think that convincing people of the need for further change is a truly difficult problem.

[Aleksandrowicz] Only every second eligible voter actually voted. Have you thought about those who did not vote, who they are, what kind of position they have in society?

[Balcerowicz] I think that there were two reasons for the low turnout in Poland: the fact that the elections took place at a time of economic hardship and, second, the style of election campaigning as well as the number of parties discouraged some citizens from participating. If we consider those factors to be the reason, then it is important to create economic prospects and for the political system to evolve further, so that people in significant parties find those things with which they can identify.

[Aleksandrowicz] What is Poland's number one problem today?

[Balcerowicz] The building of a system that would make it possible to realize the democratic leadership model and not just that of reflecting prevailing moods and views. If the latter system is the predominant one, then there is no chance of being able to continue with the current direction of change.

[Aleksandrowicz] What kind of other problems are there?

[Balcerowicz] Almost everything is linked to that first one. I would say that the number two problem is not losing what has already been achieved. The number three problem is rapid privatization, but that also brings us back to what I said initially.

[Aleksandrowicz] It has been estimated that even in theory it would be difficult to expect Poles to attain the same standard of living as in Portugal in the foreseeable future. How do you explain that to people who would like to live the way the French or the Germans do?

[Balcerowicz] We know from observing experience, from history, that there are cases of very rapid growth, when some countries were able to catch up with others, and that this sometimes occurred in a way that ran counter to the countries' own expectations. That was the case with Germany in 1948, for example, and with the countries of southeast Asia. However, we have to be honest with ourselves and state that the sets of conditions that were met in those cases differ fundamentally from those in our country.

There was no need for privatization in Germany or in Asia. In our case, however, a process of fundamental change in ownership is part of change in general. I perceive certain grave dangers, such as that Poland will opt for a slow privatization model. That would be a road leading nowhere.

A characteristic feature of the Asian states was that the entire sociopolitical system was geared toward investment and, nevertheless, maintained competition. Second, the institutionalized representation of employee interests was weak.

[Aleksandrowicz] Do you remember how you imagined your work when you took up your post two years ago? To what extent have things turned out the way you imagined they would?

[Balcerowicz] Above all, I considered it possible that my work would end much more quickly, because I saw enormous difficulties with the stabilization program. In addition, although I tried not to succumb to illusions, some of the difficulties turned out to be greater than I thought.

[Aleksandrowicz] You are criticized from all sides. In general, you have taken issue with what your critics have said. Is there nothing that you would criticize yourself for?

[Balcerowicz] Of course there are things that I would change, if that were possible. I regret that there was a relaxation of economic policy in the middle of 1990, which meant that it had to be more rigorous later. However, it has to be remembered that when it was "relaxed," we did not know that there would shortly be a two-fold increase in the price of crude oil. I regret that it was not possible to scrap all the forms of index linking that we found in the economy. Third, it would be a good thing if privatization were to proceed more rapidly. Fourth, the delays in making decisions on loss-making enterprises have caused the scale of this problem to increase.

[Aleksandrowicz] What will you tell your successor?

[Balcerowicz] I will tell him something that might sound quite banal, namely, that he should not try to solve structural problems using inappropriate instruments, that is, by means of demand-side activities. He should adhere to the principle that monetary macro-economic policy has certain objectives: keeping inflation down and maintaining a balanced balance of payments situation. On the other hand, problems relating to growth in the longer term should be solved using structural policy instruments, which means ownership changes above all.

[Aleksandrowicz] You talk like an economist when talking to an economist, and like a prime minister when talking to a prime minister, but what would you say as one human being talking to another?

[Balcerowicz] I would definitely wish him steadfastness.

Soviet Embassy Denies Role in CP Business Center

LD1211221891 Warsaw PAP in English 2101 GMT 12 Nov 91

[Text] Warsaw, Nov. 12—Following reports in the Soviet press concerning the organization of "headquarters to coordinate commercial activity of communists parties" in Warsaw, press attache of the Soviet Embassy in Poland Nikolay Trutsuk stated on Tuesday he had no information as to the sources on which the articles were based.

"The reliability of the publications is the sole concern of their editors", he said adding that the embassy was dealing only with the relations between the Soviet and Polish states and had nothing to do with inter-party contacts.

According to the report in the KOMSOMOLSAKYA PRAVDA daily last Saturday a Communist Party business centre had been set up in Warsaw following a proposal allegedly forwarded by leader of the (post-communist) Social Democracy of the Republic of Poland (SDRP) Leszek Miller.

Meanwhile, the Polish State Protection Office (UOP) remains silent on the issue. Spokeswoman for the office Irena Popoff said Tuesday she had nothing to add to the statement given to PAP on November 7. She stated then "the UOP was carrying proceedings to explain the circumstances of cooperation between the Communist Party of the Soviet Union and the Social Democratic Party, including their economic and financial links."

Referring to the KOMSOMOLSKAYA PRAVDA reports, Leszek Miller told a news conference on Tuesday that a symposium on Polish economic reforms had been held in Warsaw on March 12 and 13 during which also methods of cooperation among leftist forces in market economies had been discussed to find ways to legally acquire means for political activity.

He stressed the forum was no secret as it was held in a governmental hotel.

Edward Kuczera added that the symposium had a consultative character and no undertaking nor agreements followed.

Miller linked the reports in the Soviet press to the internal political struggle in the USSR. "I expect unqestionable evidence to be provided," he said adding he did not consider "notes made by the Soviet side during various talks" as such.

The SDRP leader also stated he knew nothing about the loan drawn by Mieczyslaw Rakowski, the last leader of the defunct PZPR [Polish United Workers Party] Polish Communist Party, from the Soviet communists.

According to reports, only 600,000 dollars from 1.2 million dollars and 500 million zlotys (45,000 dollars) lent by Rakowski in October 1989 were repaid in November 1990 while the remaining sum was spent by the Social Democratic Party.

Miller told newsmen he was ready to resign as SDRP secretary general since the campaign against him cast a shadow on his party but was persuaded not to do so.

He also described statements suggesting the delegalization of the SDRP as "absurd ideas, discrediting those who voice them."

The SDRP was second in the October 27 parliamentary elections in Poland and won 60 seats in the 460-seat lower house.

Skubiszewski on Relations With EC, Lithuania

LD1211234191 Warsaw TVP Television Network in Polish 1830 GMT 12 Nov 91

[Text] This coming Friday, together with Hungary and Czechoslovakia, Poland is to initial an agreement on association with the EC, said Minister Krzysztof Skubiszewski following talks in Brussels with representatives of 24 countries from the Organization for Economic Cooperation and Development:

[Begin Skubiszewski recording] The treaty is advantageous; of course, there are all sorts of compromises in it, and I took up those matters that could not be finally dealt with during the last negotiating marathon—certain points concerning agriculture, among others. The important point is that, out of this treaty, there should emerge a common program for Polish agriculture, as well as pointers concerning the model it should follow, bearing in mind the possibilities of exports to the West. I indicated here that we accepted the restrictions that were in existence—though we have succeeded in more than one matter here as far as the export of beef and mutton is concerned, not to mention live cattle—but we would like broader opportunities for the export of Polish vegetables and Polish fruit.

Today the minister of foreign affairs must concern himself with beef and lamb. To date we had considered this to be the domain of butchers. [end recording]

[Announcer] In Brussels, Minister Skubiszewski met, among others, the head of Lithuanian diplomacy, Algirdas Saudargas. He said that the draft Polish-Lithuanian declaration needed clarification on one more point but that this was more in the way of being a technical matter. The matter of nationality had been resolved.

[Begin Skubiszewski recording] However, the matter of local self-government and its return in the Vilnius and the Salcininkai districts still remains. Well, these are, of course, internal Lithuanian matters, but it would be a good thing for the visit if there should be an announcement that elections will be called—this would create the appropriate atmosphere and would be in accordance with international standards that should be observed by all countries. [end recording]

Romania Committed To Review UN Troop Request

LD1211153191 Belgrade TANJUG in English 1424 GMT 12 Nov 91

[Text] Bucharest, Nov 12 (TANJUG)—Romania, in the spirit of the always excellent relations with Yugoslavia, will do everything as current chairman of the U.N. Security Council so that the Yugoslav state Presidency request for sending blue helmets to the Republic of Croatia may be reviewed in the most well-intentioned way. Secretary in the Romanian Foreign Ministry Teodor Melescanu stated this for Radio Bucharest today.

Melescanu added that Romania will "most professionally and in the best way examine the stands of the members of the U.N. Security Council concerning the request of the Yugoslav state Presidency which will subsequnetly be reflected in the final decision of the organ."

Nastase Comments on G-24 Meeting in Brussels

AU1211194391 Bucharest ROMPRES in English 1830 GMT 12 Nov 91

[Text] Bucharest ROMPRES, 12/11/1991—Romanian Foreign Minister Adrian Nastase who attended the G-24 [Group of 24] ministerial meeting in Brussels, returned to Bucharest, on November 12.

On arrival at the Otopeni International Airport, the Romanian minister stated to the press that the G-24 no longer worked behind closed doors, discussing what happened with the economic assistance coordinated for the East-European countries, but invited the respective countries for a change. "I think that the decisions could be better shaped and better substantiated in this way and the result seems to me rather significative," the Romanian minister said, adding that "in consideration also of the statements made during the meeting and the talks I have had with numerous foreign ministers who participated in it, the stand regarding Romania seems to me far more open and more relaxed. The immediate result which we are expecting anxiously was the deblocking of the loan granted by the G-24 to Romania, which was somehow closed because of a, let's say, internal misunderstanding, between the 12 of the Common Market and the other 12 countries of the Group of the 24. It was concluded, based on a far more substantive analysis, that the assistance should be deblocked for Romania and, in this respect, it means that the first installment will be actually transferred, probably at the beginning of December, and the second installment sometime at the beginning of next year. The two installments total about 500 million dollars which is the, say, European part of the loan given by the G-24. Efforts are to continue to ensure the financing of the other part of the general loan of one billion we have applied for.

"Apart from this result, I think there is a better chance to start negotiations soon for an association with the Common Market and also for getting certain export facilities in the markets of the G-24 countries," the Romanian minister said.

Referring to his interviews with personalities participant in that important meeting, the Romanian chief diplomat said: "I have had several rather important interviews, some of them even very important, with foreign ministers who participated in this meeting, with the U.S. deputy secretary of state. I would mention among others the Dutch Foreign Minister Van den Broek, the German Foreign Minister Hans Dietrich Genscher, the U.S. Undersecretary of State Lawrence Eagleburger. Likewise, I have had meetings with Mr. Christophensen, deputy chairman of the EEC board, with the recently appointed foreign minister of Bulgaria Mr. Ganev."

The Romanian minister noted "an accumulation that starts being conspicuous, far better understanding, more balance in the analyses referring to Romania. I believe we should stress it again," Minister Nastase added, "how important it is that this relation of ours with the European communities really requires active and positive will from either party. There is the community on the one hand, that should understand well what is going on in our country and specifically what we need, and on the other hand, we, as society, as political structures that have, by what we are doing, to think first of all of a coherent construction that should be convincing. Likewise, we should carefully avoid an involvement in dangerous games. It is maybe the moment to stress certain chances to overcome certain difficulties that immediately generate a certain reaction of negation, of destruction at the level of certain lobbies. I would mention as an example the signing of our commercial agreement with the United States, where very active was the Hungarian lobby in America and not only there. This is something we have to speak out very openly, without overreacting. These things are probably part of the political games, I think we must not overreact and must respond in a most intelligent manner."

UDMR Comments on Delegation Visit to Hungary

AU1211214891 Bucharest ROMPRES in English 2113 GMT 12 Nov 91

[Text] Bucharest ROMPRES, 12/11/1991—An UDMR [Democratic Association of Hungarians in Romania] press release shows that a delegation of the UDMR Presidium headed by the Union's President Geza Domokos, paid an official visit to Hungary over 7-11 November 1991, invited by the parties represented to the Hungarian parliament.

The delegation included Union Vice Presidents Geza Szocs and Gabor Kolumban, Deputy Zsolt Szilagy, as well as Imre Borbely, Tibor T. Toro and Jozsef Somai.

The delegation was received by Hungary's President Arpad Goncz, Prime Minister Jozsef Antall and Foreign Minister Geza Jezsenszky and had talks with leaders of

the six political parties represented in the Hungarian parliament, with other Hungarian political personalities.

The delegation visited the town of Giula, where they met with leaders of the Romanian Democratic Union of Hungary.

At the close of their visit to Hungary, the delegation gave a press conference in the Parliament building in Budapest.

Delegation head Geza Domokos stated that the UDMR delegation which had talks with the Hungarian political parties represented in Hungary's parliament assumed the role to build a bridge between Romania and Hungary, that their dialogue was not just Hungarian-Hungarian talks, because the UDMR is part of the political life of Romania and that that is the country the delegation represents and will return to. He pointed out that what he called the intense anti-Hungarian campaign of the past few weeks in Romania was meant to divert public attention from the serious economic and social tensions and an attempt of certain political forces to gain political capital just before elections.

The delegation expressed their fears that, although the new measures taken by Premier Stolojan to unify the national currency rates and achieve the internal convertibility were inevitable and necessary, they might, with the oncoming winter, jeopardise the democratisation process in Romania.

"Our countries' failure to solve their problems on a bilateral basis would cast a shadow on both the Hungarian and the Romanian foreign policies. As a matter of fact what is happening in neighbouring countries shows how difficult it is to solve ethnic conflicts by external means. Two neighbouring countries, like Romania and Hungary, whose relationships are burdened by a difficult legacy, must lay a particular stress on the bilateral relations," further writes the communique quoting a declaration by Geza Domokos, carried by the Hungarian daily "NEPSZAVA."

UDMR Holds News Conference on Ethnic Issues

AU121114291 Bucharest ROMANIAI MAGYAR SZO in Hungarian 9-10 Nov 91 p 1

[Report by Roman Gyozo: "It Was a Sincere Talk"]

[Text] On the evening of 6 November, the leadership of the Democratic Association of Hungarians in Romania [RMDSZ—UDMR in Romanian] held a news conference. The attendance was greater than expected, and this proved that journalists were curious to find out what the situation was like in the Hungarian interest group after the parliamentary debate concerning the report on the "persecution" of Romanians in Harghita and Covasna counties. Some wanted to know how the largest opposition party (in terms of membership figures) would take on the issue of the Romanian elections; others wanted to know how the RMDSZ would now cooperate with the opposition parties and, of course, there were some reporters who wanted to know whether these events had shocked the RMDSZ. One of our Romanian colleagues commented after the 150-minute question-and-answer session that it had been a sincere talk.

First, the chairman of the RMDSZ [Geza Domokos] gave a brief account of the issues that preoccupy the Association—including the fact that the Parliament has still not voted on the right of national minorities to use their own language in local government institutions. Then they showed the film that Romanian Television had banned. The short material edited from news programs proved that television reports on events from a government angle and that it is not at all as neutral as its leaders claim. Naturally, there were immediately some journalists who retaliated by saying that the editing of the film snippets gave a distorted account of the original reports. Several Hungarian leaders announced that this opinion did not bother them, because it is not a problem if people think differently—the important thing is that they think. Incidentally, the issue of diverging opinions came up several times. For example, the question was raised whether Geza Domokos agreed with Laszlo Tokes as far as the nostalgia for the Hungarian Autonomous Province was concerned.

Several people asked about the difference between the moderate and the radical wing of the RMDSZ. "At long last, other people have also started to realize that the RMDSZ is not a monolithic party, which is what several people have tried to prove," the chairman of the Association pointed out. He explained that, in essence, both wings respected Romania's independence and unity, but that one wing used the help of democratically minded Romanians to try to carefully and gradually obtain national minority rights, while the other wing thought it important for the public to hear and immediately become aware of all its demands. However, neither wing could be called extreme. The issue of Szeklerland autonomy was also raised, as was the report of the parliamentary committee on Harghita and Covasna counties. The two Hungarian members of the committee, Tamas Csiha and Csaba Takacs, explained to those present why they could not sign the report and where the Romanian parliamentarians had gone wrong. Attila Verestoy spoke about the irregularities in the committee's work, and Gabor Kozsokar explained how the aim had not been to present the truth but to prove right the prejudices of a few high- ranking Vatra Romaneasca officials. It was also mentioned that not only Romanians, but also Hungarians, had been chased away from the area because of their collaboration with the dictatorship. In fact, Romanians had chased Hungarian doctors away from Balanybanya [Balan], but the RMDSZ did not believe that this was an ethnic clash. This was merely a form of protest against the fact that earlier, doctors had followed orders from above and had not helped those in need, not authorizing them to take sick leave. Bela Nagy gave an example from Bihar

[Biharia] county, where Hungarian doctors had been forced to leave, but the reasons behind this had been personal interests.

The issue of future cooperation with other opposition parties was also raised—the RMDSZ was left on its own after the presentation of the report, and the other political groups in the democratic coalition signed the text presented by the parliamentary committee. However, there is reason to be optimistic because the Harghita county branch of the National—christian democratic—Peasant Party has criticized the report, and at a mass rally in Sepsiszentgyorgy [Sfintu Gheorghe], the Civic Alliance raised objections to this subversion. Indeed, together with Geza Domokos, Gyorgy Tokay stressed that this report had been a political subversion. They did not mention any names, but they said that they knew who could be found behind all this.

This meeting was needed. The press that stood by the RMDSZ during the parliamentary debate can now see the connections clearly, and those who write against us can no longer fabricate whatever they like without jeopardizing their credibility. I am acting as an interpreter for my Romanian colleagues when I say that regular news conferences would be a good idea. This was promised by the RMDSZ leaders on 6 November. Thus, their words can travel directly to Romanian readers, and we can convince them that in this country, we want democracy, rights, and a good life, of course.

FSN's Secares Views Party Opinions, Infighting

AU1211180191 Bucharest LIBERTATEA in Romanian 6-7 November 91 pp 1, 3

[Interview with Vasile Secares, deputy chairman of the Steering Committee of the National Salvation Front, by Roxana Costache; place and date not given: "On How Many Fronts is the Front Advancing?"]

[Text] [Costache] In a recent interview, you said that the National Salvation Front [FSN] is crisscrossed by various currents of opinion; you also made a positive assessment of this "dialectical process" and said that you will find resources for a party consensus in the electoral campaign. On the other hand, Mr. Petre Roman said that there is a break between reformers and conservatives, hence an antagonistic and irreconcilable relationship by definition. What makes you think that the sides can be harmonized?

[Secares] The question is very good, and it can no longer be avoided. I do not deny the existence of several distinct orientations: the one defined by the national convention; another one to the left of that program (and criticizing the previous government's attitude and the reform program); and a group favoring immediate solutions to problems as they arise, so that the Front's image can come out well on each occasion (this is a strategy indeed, but of the "retrograde" kind). Unfortunately—or is it fortunately?—there is no break. From the very start of this process, the various clarifications and deliberations on the FSN's and the country's road have not been really in-depth. The discussions were emotional—only cliches were used—and endorsements were obtained for vague formulations. The orientation toward reform is only slightly more concrete, but even here discussions were not carried to the end. For instance, the discussions held with many people suspected of conservative attitudes revealed that there is no nostalgia for the past or any kind of desire to maintain the old formulas for the country's organization; their attitude is rather a spurning reaction to the "costs" of the process. Aside from the hard core...

[Costache] So, there is a hard core. Did you localize it?

[Secares] Mr. Birladeanu [Senate chairman] is considered to be the exponent of this line. As for the reformers, what can I tell you? We are dealing here also with a visceral reaction... I believe that we should have totally clarified the situation at the convention, leaving no room for confusion. But then, everybody jumped on the reform bandwagon—nobody proclaimed different opinions, since they thought that that would damage the party's overall image. We all saw how wrong this approach was during last September's crisis. And we can still see how wrong it is that only a few should speak their minds.

[Costache] Do you not think it absolutely normal for the local organizations and the electorate to be at a loss now, given the fact that the Steering Committee has not managed to come to the necessary clarifications? Would it not be natural for them to blame even you, a long-standing cadre, as an obstacle, to label you a neocommunist, and to demand your resignation?

[Secares] I do not consider this question to be properly formulated.

[Costache] You can reformulate it as you like, but give me an answer...

[Secares] A country cannot be changed with mere words or statements of intent, and the decisions that have to be taken now, in Romania, do not depend on anyone's personal past, but rather on the country's situation. To make correct decisions, it is necessary to correlate certain variables and to guide developments in keeping with realities. Some people claim that this amounts to a return to central guidance; they forget or do not know that central guidance is something else, namely controlling reality through administrative decision. Another thing that is false is the idea that the country was poorly governed by the communists, who were idiots, while today, the marginalized people of yesterday, who are good and clever, should be put in charge of saving Romania. In an old framework, new people will also operate in the old way. The reform team, to which I also belong—even though I taught international relations at Stefan Gheorghiu [the Stefan Gheorghiu Political Academy of the former Romanian Communist Party]—wanted to prevent "reality" from expressing itself chaotically and strove to direct it in a new and specific

positive course. What counts is not the person, but the team. The issue is not whether someone is "more competent" than others—Romania is full of competent and true professionals—but whether this is the right time, at this crucial moment, to confuse the authors of the reform with certain persons "who wrote the program" and thus contest the very people who are actually the promoters of a political option. Therefore, I maintain that the FSN should clarify all issues and stop shifting discussions to a lower plane. I speak my mind because I sincerely believe in that. If some people say that I am wrong, then they should come forward and challenge me to a discussion, but seriously. Are there weak points in the program or the team? Let us get rid of them. But we should not prevent a discussion of these issues, thus pushing things to a dead end.

Article Says Opposition Should Preserve Unity

AU1311083991 Bucharest ROMANIA LIBERA in Romanian 7 Nov 91 p 1

[Raluca Stroe Brumariu article: "Will the Unity of the Convention for Democracy Resist?"]

[Text] In recent months, even the surveys conducted by IRSOP [Romanian Institute of Public Opinion Polls] indicated an obvious decrease in the popularity of the National Salvation Front [FSN] and President Iliescu, while the united opposition managed to come close to the percentage IRSOP attributed to the FSN. However, this relative balance of power—with the implied opposition that was shaping up for the Front—was certainly not to the liking of that group dreaming of everlasting majorities, nor to the liking of President Iliescu. Consequently, this balance had to be squashed at all costs, otherwise it might have become dangerous for the neocommunist power. After repeated attempts at splitting and compromising the historical parties, one of the touchstones for the opposition's unity was the start of discussions for the formation of the new government. The fact that the liberals accepted participation in a government alongside the Front and the other two signatories of the Charter for Reform might have led to tension within the Convention for Democracy and also brought about a distancing of the liberals from the rest of the member parties. After this trial to which the opposition was submitted, there followed another one, much more difficult and harder to overcome: the presentation of the Covasna-Harghita report in Parliament. It seems that this report, which was turned into a campaign against the UDMR [Democratic Association of Hungarians in Romania], had at least three goals: First, to divert attention from the serious problems facing Romanian society, such as the perpetuation of communist structures; the more or less subtle attempts to remake the totalitarian state; unkept promises; the cold, misery, and corruption beginning from the highest levels; the attempt to reinstate a regime of police control over the population; and last but not least, the attempt to bring about the international discredit of Romania, of the Bucharest leadership, and of President Ion Iliescu in particular, especially after the maneuverings conducted behind the scenes during the latest miners' escapade. The second goal would be to provoke the start of an electoral campaign that, as one can see, would again appeal to the people's most primitive and emotional reactions. With this in mind, many FSN senators and deputies outdid—through the enormity of the solutions proposed and the accusations made against certain UDMR leaders—even the PUNR [Romanian National Unity Party] representatives, who will probably strive, in their turn, to find solutions that are not below the demands of parliamentarians such as Romulus Vulpescu. Last but not least, maybe an attempt was made to crack the unity of the opposition and unbalance it. Submitted to vehement attacks that, unfortunately, often exceeded the framework of lucid and civilized discussions, the UDMR found itself abandoned by its Convention partners (a fact that the UDMR leaders had to sadly take note of). Given the situation created, the current state of mind in Parliament, and the electorate's confusion, it is obviously very difficult for the opposition to openly side with the UDMR (especially since the report is also signed by the opposition parties) or at least to strive to correctly pinpoint the problems. Thus, part of the opposition deputies—lead astray by the violence of the Front's attacks and the way in which the problems were presented—adopted a pretty ambiguous position or even sided with the majority party. Therefore, I ask myself whether the Convention parties will be able to save the unity of the opposition, while also preserving the endorsement of the electorate, which has obviously been influenced by the Parliament debates (so generously broadcast live on television). In truth, this debate—which has turned into a nationalist campaign and has already been prolonged quite artificially—is directed not only against the UDMR and the population of Hungarian origin, but also against the entire true opposition, which has been subjected to formidable pressures. Therefore, it is absolutely necessary for the Convention parties to adopt a clear and lucid position, thus avoiding traps. If this prolonged ambiguity persists, the opposition will come out weakened from this trial. Weakened by distrust among parties and by suspicion, dissatisfaction, and reproaches, thus risking entering the electoral campaign with an obvious handicap vis-a-vis the Front and its allies. This was probably the start of the trial the opposition will have to overcome. Let us hope that it has the necessary maturity to overcome it without falling apart.

Post scriptum: It would be interesting to know whether, after these discussions in Parliament, the IRSOP polls will show a change in the popularity percentages of the political groupings.

International

Vance Denies Making Statement on EC Sanctions

LD0711223191 Belgrade TANJUG Domestic Service in Serbo-Croatian 1636 GMT 7 Nov 91

[Text] Vienna, 7 Nov (TANJUG)—Cyrus Vance, special UN envoy to Yugoslavia, today denied in Vienna the TANJUG report that in Belgrade he warned against EC sanctions against Yugoslavia. In his conversation with journalists after his meeting with Austrian Chancellor Franz Vranitzky, he said: I have never made a statement to TANJUG. He also said that the EC was free to adopt its own decisions. The United Nations will wait for the outcome of the NATO summit meeting in Rome on Friday [8 November] before considering its own measures, Vance said. Asked by journalists who was the aggressor in the Yugoslav war, Cyrus Vance replied: Both sides made mistakes.

Montenegro President Talks With U.S. Ambassador

LD0711213191 Belgrade TANJUG in English 1630 GMT 7 Nov 91

[Text] Titograd, Nov 7 (TANJUG)—The Hague conference should continue in the spirit in which it started, and abandon the announced sanctions and pressures for accepting the solutions offered.

This was concluded in today's talks between president of the Presidency of the Yugoslav Republic of Montenegro Momir Bulatovic and U.S. Ambassador to Yugoslavia Warrent Zimmermann.

Ambassador Zimmermann today visited Titograd as part of his tour of Montenegro and met with Bulatovic at his own request, a statement from the talks said.

Ambassador Zimmermann showed particular interest in the positions, views and proposals of Montenegro reprsentatives concerning The Hague document.

Bulatovic reiterated the commitment of this republic to a peaceful and democratic resolution of the Yugoslav crisis and said that Montenegro was interested in the continuation and successful outcome of The Hague conference.

Military, Hungary Discuss Airspace Violations

LD1211212391 Belgrade TANJUG in English 2036 GMT 12 Nov 91

[Text] Subotica, November 12 (TANJUG)—The commanders of the air forces and antiaircraft defense of Yugoslavia, Gen. Zvonko Jurjevic, and Hungary, Gen. Bela Balogh, discussed on Tuesday [12 November] violations of airspace of the two countries and removal of consequences in possible excess situations.

Jurjevic and Balogh have during talks on military matters and relations between the two neighboring and friendly countries agreed on the principles of mutual reaction and informing in excess situations, TANJUG has learned from military sources.

The two countries exchanged on a number of times mutual recriminations on violations of air spaces after the eruption of conflicts in the Yugoslav Republic of Croatia.

Yugoslavia accused Hungary of using airplanes used in agriculture to bring in arms to Croatia, while Hungary accused Yugoslavia that its planes violated Hungarian air space during operations in Croatia.

Also, Hungary accused Yugoslavia that a plane which came from its territory dropped a cluster bomb on the outskirts of the Hungarian village Barc, near the two countries' border. According to Hungarian allegations, the bomb was of foreign make which is a part of the Yugoslav army arsenal.

Yugoslavia has denied these claims and set out that the Yugoslav Air Force planes were not in the zone near the Yugoslav-Hungarian border on the said day.

Austrian Envoy Receives Protest Note Over Plane

LD0811184191 Belgrade TANJUG in English 1717 GMT 8 Nov 91

[Text] Belgrade, November 8 (TANJUG)—Assistant federal minister at the Yugoslav Foreign Ministry Boro Denkov today presented to Austrian Ambassador to Yugoslavia Walter Siegl a note of strong protest against the decision of the Austrian Government not to meet Yugoslavia's request to return a Yugoslav Air Force MiG-21. Pilot Rudolf Perisin landed in Klagenfurt in the unarmed Yugoslav Air Force plane contrary to service regulations and orders of the command on October 25, 1991.

The decision of the austrian government and the arguments on which it is based are insupportable, said the note. The concrete legal question is resolved through political means, which has led to the taking of a nonprincipledstand and one which is detrimental to relations between the two countries.

Especially shocking in this case, and unrecorded international relations, is the statement by the Austrian officials that "it is not clear which organs of authority are responsible for Yugoslav property, from the legal aspects."

With this act, neighbouring Austria is taking the right to question the existence of the state of Yugoslavia, member-founder of the United Nations organization and the Conference on Security and Cooperation in Europe (CSCE), which strongly violates the principles of the charters of the U.N. and CSCE, and certain articles of international documents which regulate relations between states, said the protest note.

The Austrian authorities were asked immediately to return the seized plane to its rightful owner—the state of Yugoslavia.

PRC Determined To Increase Economic Cooperation

LD0811172791 Belgrade TANJUG in English 1444 GMT 8 Nov 91

[Text] Belgrade, November 8 (TANJUG)—China will not join in a possible economic blockade of Yugoslavia, and if it is imposed nevertheless China will do everything to make Yugoslavia's position easier to bear, Chinese Minister for Foreign Trade Relations Li Lanqing underscored in a talk with acting Yugoslav Secretary for Foreign Trade Relations, Dr. Bozidar Jovanovic.

China is firmly determined to intensify economic cooperation with Yugoslavia as a friendly country, Li pointed out, because it is interested in cooperation in the areas of agriculture, the chemical industry, and especially the pharmaceutics industry, Jovanovic said after returning from China.

Navy Denies Sinking Maltese Ship Near Solta

LD1311070691 Belgrade TANJUG in English 0040 GMT 13 Nov 91

[Text] Belgrade, Nov 12 (TANJUG)—The command of the naval district of the Yugoslav People's Army [YPA] denied this evening that its units had had anything to do with the sinking near the island of Solta of the M.V. Euroriveri, a cargo vessel flying the Maltese flag.

The vessel's six-man crew was rescued.

The Navy command said that at the time the Euroriveri had come under fire (1900 local time—1800 GMT on Monday [11 November]) "the nearest ship of the Yugoslav Navy was 28 nautical miles from the scene of the event."

The Navy also said the "place where the cargo cessel sank is only a few miles from the spot on the island of Solta where a coastal artillery battery of the Croatian Navy was set up recently."

The Navy said its vessels had had no reason to fire on the Euroriveri, as its passage to the port of Ploce had been duly cleared.

"This latest crime, as well as the earlier laying of mines in the sea, represents an attack directed not only against the YPA but also against the lives of civilians and the safety of all navigation," the Navy said.

After it learned about what it called the "loathsome act," the command of the naval district sent a request to the European Community's observer mission for all facts connected with it to be established at once.

Federal

Mesic Asks U.S. Federal Reserve To Freeze Funds

LD1211230191 Zagreb Radio Croatia Network in Serbo-Croatian 2100 GMT 12 Nov 91

[Text] Stipe Mesic, president of the Yugoslav Presidency, has sent a letter to the executive vice president and general council of the Federal Reserve Bank in New York. The letter says that there is no guarantee that the joint foreign currency reserve business and investments in the Yugoslav National Bank were conducted in the interest of all the members of the former Yugoslav federation. On the contrary, there are many indications that these funds had been used to finance the import of weapons for the Yugoslav army, which is totally controlled by Serbia.

At this moment in time, I cannot see a single Yugoslav National Bank representative who is using Yugoslav foreign currency reserves in a responsible way. These reserves must be held as joint property of all the republics, members of the former Yugoslav federation. They are now deposited in the Federal Reserve Bank in New York on behalf of the Yugoslav National Bank funds and amount to several hundred million dollars.

As president of the Yugoslav Presidency I hereby demand that the Federal Reserve Bank in New York refuse to comply with and reject any attempt by the Yugoslav National Bank to withdraw these funds until a new confirmation has been received by the U.S. secretary of state concerning the identity of a properly appointed representative authorized to use these funds, President Mesic says at the end of his letter to Ernest Patrikis, executive vice president of the Federal Reserve Bank.

Mesic Criticizes Serbian Invitation to UN Troops

LD1211210391 Belgrade TANJUG Domestic Service in Serbo-Croatian 2000 GMT 12 Nov 91

[Text] Trbovlje, 12 Nov (TANJUG)—Stipe Mesic, president of the Yugoslav Presidency, spoke at a public forum in Izlake castle near Trbovlje tonight on the political situation in Yugoslavia, on intra-national and inter-republican relations, and on the internationalization of the solution to the Yugoslav crisis.

"I insist on the office of the president of the Yugoslav Presidency only to help the process of dissociation of Yugoslavia," he said, repeating his stance that Serbia and the Yugoslav People's Army are responsible for the armed conflicts in Croatia. Stipe Mesic denied the right of the section of the Yugoslav Presidency still functioning to invite the blue helmets to come and take part in securing peace in Croatia. It is his conviction that any separation of the parties in the conflict is unacceptable if the present republican borders are ignored.

He described the invitation to the blue helmets "partly as a desperate move by the Serbian side and partly as a repetition of the deception of the world public, because Serbia is thereby showing itself as a champion of peace."

The assessment was made together with Dr. Janez Drnovsek, who was the host of the meeting, that there has been no cooling in Slovene-Croatian relations. It is Dr. Janez Drnovsek's conviction that these are temporary practical problems. Croatia has all Slovene support, both in our country and abroad.

Federal Court Rules Slovene Law Unconstitutional

LD0711222291 Belgrade TANJUG in English 1915 GMT 7 Nov 91

[Text] Belgrade, Nov 7 (TANJUG)—The Constitutional Court of Yugoslavia ruled today that two provisions of the law on a plebiscite on the independence of Slovenia, under which the assembly of the republic was given a duty to prepare a programme of secession, were unconstitutional.

Two other laws the court found unconstitutional were the law on citizenship and the law on foreigners, which Slovenia had adopted as if it were a sovereign and independent state.

The court was divided over the constitutionality of the declaration on the sovereignty of Macedonia and did not issue a ruling in this matter. The judge ruled that the declaration on Macedonia's sovereignty differed from similar acts adopted by Croatia and Slovenia because it was not an "act of direct secession," but rather one of "federal disobedience."

There was no consensus, however, whether all eight provisions of the declaration were unconstitutional.

Court Orders Investigation of Army General

LD0811230391 Belgrade TANJUG in English 2058 GMT 8 Nov 91

[Text) Belgrade, Nov 8 (TANJUG)—The investigative judge of the military court in Belgrade today ordered an investigation of Vlada Trifunovic, a major-general in the Yugoslav People's Army (JNA), on suspicion of undermining the country's military and defence capacity. The judge said that Gen. Trifunovic had been detained.

"As commander of the corps in Varazdin, he failed to organize and secure adequate protection for the manpower, facilities and combat equipment of the JNA in the zone in the jurisdiction of the corps", the judge said.

Slovenia

Yugoslav Interference in Internal Affairs Protested

LD0811032991 Belgrade TANJUG in English 2350 GMT 7 Nov 91

[Text] Ljubljana, November 7 (TANJUG)—The government of the Yugoslav Republic of Slovenia today accused the Yugoslav Government of "trying to interfere in the internal affairs" of Slovenia, which unilaterally declared secession from Yugoslavia.

The Slovenian Government described the federal government's stands, set out on October 9, as a "direct threat to the independence and territorial inviolability of the Republic of Slovenia."

On October 9, the Yugoslav Government said that the acts of declaration of independence and secession from Yugoslavia, adopted by the Slovenian and Croatian parliaments on October 7 and 8, should be put out of effect during the conference on Yugoslavia in The Hague. The Federal Government said that Slovenia's and Croatia's decisions were "contrary to the efforts of The Hague conference."

Slovenian Premier Lojze Peterle today said that the biggest successes of his government were the "departure of the JNA (Yugoslav People's Army) from Slovenia" as well as the fact that Slovenia was now known worldwide and that its passports could be used for travel to a number of European countries. Peterle said that the "issuing of (Slovenian) currency" was another success of the Slovenian government.

Government Coalition Parties Hold Consultations

AU0711200191 Ljubljana Radio Slovenia Network in Slovene 1430 GMT 7 Nov 91

[Text] The leadership of the Slovene Christian Democratic Party and the Slovene Democratic Party-National Democratic Party met in Ljubljana this morning. The talks were organized by the National Democratic Party to inform their partners about the amendments to the party statute made after the recent party congress, to exchange views on current political issues, and to agree on future short-term and long-term cooperation. Sandi Frelih reports:

[Frelih] The parties, Lojze Peterle and Rajko Pirnat stressed, more or less agree in their view on society and economy. They both advocate justice within the limits of possibilities. The Christian Democratic Party sees sufficient grounds for cooperation in the new statute of the National Democratic Party. Both parties, their presidents stressed, were of the opinion that the ruling coalition has not completed its work yet and that they should remain obliged by the agreement signed. Only after achieving monetary independence, Lojze Peterle said, has Demos really become fully responsible for the situation in Slovenia, because it achieved the most important mechanisms of governing. If Demos does not prove to be firm, the consequences of the blockades in the work of the assembly and government will only lead to chaos. Right now, the prime minister said, we are in a decisive phase in which we have to prove that we can survive on our own.

The two parties also hold similar views about the constitution and believe that it should be adopted as soon as

possible to avoid obstacles to the assembly's work. While the Christian Democratic Party is willing to compromise to have it adopted, the National Democratic Party is convinced that regions should have no state powers. They also drew attention to the harmful effects of a slow process of adopting the property laws. Because of theft, is appears that soon there will be nothing left to be privatized, and the government cannot take responsibility for the situation. The reasons for deadlock are no longer sought in the Chamber of Associated Labor, that is to say, among the parliamentary parties, but primarily among the independent deputies.

Peterle Interviewed on Recognition, Economy

AU0711183791 Vienna WOCHENPRESSE in German 7 Nov 91 pp 40-41

[Interview with Prime Minister Lojze Peterle by Karl Abentheuer; place and date not given: "To Cut Off the Cat's Tail Piece by Piece Does Not Hurt Less"]

[Text] [Abentheuer] On 26 October, the last soldier of the Yugoslav Federal Army left Slovene territory. Will you in the future celebrate your national holiday on the same day as Austria?

[Peterle] The two days really coincide well. However, years ago on the same day, the Italians invaded regions where Slovenes lived. Therefore, the day will not be a national holiday for us.

[Abentheuer] Do you have a reason to celebrate at all? Even though Slovenia has had its own passports and its own currency since 8 October, its independence has not yet been recognized by any country in the world.

[Peterle] Of course, it is no problem to print our own passports. However, it is a problem to travel with them. Meanwhile, we can travel across half of Europe with our passports. That is a de facto recognition. Now we are only waiting for the formal recognition.

[Abentheuer] Are you getting impatient?

[Peterle] We have long gotten used to being patient. There were, for instance, times when we could not even speak with Italian Foreign Minister Gianni de Michelis. Now we can talk with all of them—with Mock, Genscher, Van den Broek—every day or even several times a day.

[Abentheuer] ... with the result that you still have to wait for the recognition of your independence.

[Peterle] I am confident that the EC and Austria will recognize us in at least two months, because Europe has realized what is really happening in the Balkans.

[Abentheuer] In view of the negotiation results of the peace conference in The Hague, are you really convinced that the EC knows what is going on?

[Peterle] It is correct that the peace conference could have achieved much more and could have been much more successful. The conference has neither stopped the war in Croatia nor the economic war against Slovenia. In these two areas, the mediation efforts were unsuccessful. However, it has played a certain protective role and has prevented the deterioration of the present situation.

[Abentheuer] Do you rule out another military intervention in your country by the Federal Army, which is dominated by the Serbs?

[Peterle] I do not think that the Army will intervene in Slovenia again. There may be terrorist acts or air raids, carried out by military officers acting on their own initiative. However, I do not see a general danger.

[Abentheuer] Your country's economic situation is anything but good. Industrial production has sharply declined, the unemployment rate has risen to 10 percent, and most Slovene companies are short of money.

[Peterle] We would be much worse off, if we were still part of Yugoslavia. What is decisive is the fact that Slovenia is no longer tied to Yugoslavia and can create its own policy now. Of course, we have to solve many problems.

[Abentheuer] Such as the problem that the remains of Yugoslavia have ceased to be a market for Slovene goods. Last year, as much as 24 percent of the country's industrial production went to that region.

[Peterle] That is indeed a great problem. The war has poisoned the relations between the republics. Some companies still supply their products to the south because they believe that these markets will be maintained in the long run.

[Abentheuer] Do you agree?

[Peterle] I do, even though we will have major losses in the south. The Slovene economy is dynamic and flexible.

[Abentheuer] A country's economy needs to have sound legislative bases to be able to function. Your critics have charged that in this respect, too, little was done in the three months between the Brioni Agreement and 8 October when the declaration of independence took effect.

[Peterle] You can always say that too little has been done. However, what is most important is monetary independence, which we created. In addition, we passed tax laws. Now the turnover tax law will soon be passed. All in all, we submitted more than 100 bills.

[Abentheuer] The problem of privatizing social property still has not been resolved.

[Peterle] To solve this problem is particularly difficult in all former eastern bloc countries because many groups are opposed to privatization—in particular, the directors

of enterprises who want to retain their privileges. At present, the chamber of directors in parliament is blocking the law.

[Abentheuer] Originally, this law should have been passed in September. When will it really be passed?

[Peterle] That is very hard to say. But I think we can expect it to be passed within a month.

[Abentheuer] The spiritual father of your privatization program, U.S. economist Jeffrey Sachs, is known as an advocate of the economic shock therapy. Do you proceed according to the Polish model?

[Peterle] Mr. Sachs is an advocate of rapid privatization. I also believe that we must act quickly. Cutting off a cat's tail piece by piece does not hurt less.

[Abentheuer] Do you want to cut off its tail by one stroke?

[Peterle] In my view, that would be much better.

[Abentheuer] Even though the unemployment rate would rise 20 percent as a result?

[Peterle] We have the problem of fictitious employment in Slovenia. However, if we want to be internationally competitive, we must adopt international standards. Unemployment will certainly increase because according to our calculation, we have 30 percent overemployment.

[Abentheuer] So do you plan to introduce a shock program?

[Peterle] We are not talking about a shock program, but we are opposed to gradualism, which would drag on the process of economic transformation endlessly. That is why we are working for the quick privatization of enterprises, which will, of course, be the greatest shock for our society. But if we want to achieve something, we must pay for it.

[Abentheuer] When Slovenia presented the tolar as its new currency early in October, this led to major irritation between Austria and Slovenia. Above all, Carinthian politicians objected to the picture of the Duke's Stone, which is to them a Carinthian national symbol, on Slovene banknotes. Has this problem been totally solved?

[Peterle] We were very surprised by this reaction, which was not based on facts. But we know now what the Duke's Stone really is. Everything was explained. If we were as sensitive as the Carinthians, we could also demand that the picture of the Lippizan horses, which clearly have their origin in Slovenia, be removed from Austrian banknotes. Every country has the right to use its own symbols. The assumption that the Duke's Stone on our banknotes should spell territorial claims to Austria is a speculation of a very special kind.

[Abentheuer] I do not think anybody seriously assumed that.

[Peterle] Not even the Carinthians, I think. However, the conditions and the circumstances are entirely different there. It was a purely political matter.

Croatia

Tudjman Appeals to Carrington To Reconvene Talks

LD1211141291 Belgrade TANJUG in English 1257 GMT 12 Nov 91

[Text] Zagreb, Nov 12 (TANJUG)—President of the Yugoslav Republic of Croatia Franjo Tudjman has sent a letter to chairman of the Yugoslavia conference Lord Carrington saying that Croatia is prepared to continue talks in The Hague and guarantee the rights of minorities with international supervision. Tudjman also repeated the proposal "for the sending of peacekeeping troops to the crisis areas".

According to the letter whose text was carried by the Croatian press today, Tudjman personally thanked Lord Carrington, the European Community Ministerial Council and the NATO summit in Rome for their contributions in resolving the crisis in Yugoslavia.

A part of the letter is devoted to the war in Croatia "which is assuming the proportions of an all-out war".

The Republic of Croatia is prepared to consistently implement the agreement on the cease-fire and withdrawal of the Yugoslav People's Army (JNA) from its territory, said Tudjman.

He went on to say that for that purpose orders had been issued on an unconditional deblocking of JNA barracks and that an agreement had been reached on the evacuation of the JNA corps from Rijeka and a motorized brigade from Jastrebarsko. The JNA's evacuation from Pula has been completed and talks are under way on deblocking and evacuating the remaining JNA barracks in Croatia, said Tudjman.

He reiterated "the proposal for the sending of peacekeeping troops to the crisis areas to prevent a repetition of the aggression against the Republic of Croatia and to help restore peace and the legal order".

We also hold that it would be necessary to enlarge the observer mission in eastern Slavonia and, especially, in the areas of Vukovar and Dubrovnik, where the situation is the most difficult, said the Croatian president.

In conclusion, he appealed to Lord Carrington "to reconvene The Hague conference as soon as possible and to take urgent steps within the framework of the conference for ending the aggression against the Republic of Croatia".

Milosevic, Tudjman Prepared To Attend Peace Talks

AU1211144091 Paris AFP in English 1254 GMT 12 Nov 91

[Report by Nicolas Miletitch]

[Text] Belgrade, Nov 12 (AFP)—European Community observers trying to flee the besieged Croatian city of Dubrovnik on Tuesday [12 November] were pinned down as Yugoslav shelling prevented their rescue boat from docking, an EC official said. The official, who requested anonymity, said the security of the team was no longer assured.

Negotiations had been going on since Monday [11 November] with the Federal Army to let the six observers and their two drivers leave Dubrovnik, which is under siege by the Army and blockaded by the Navy, and the official said Army officers had agreed to let them leave.

A dozen shells fired by the Army Tuesday damaged the Boskovic palace in the old city, which is classified by the United Nations as a world architectural treasure. A bank and a synagogue were also hit, the Croatian news agency HINA reported. It said 22 people had been killed and more than 80 wounded in two days of fighting.

Belgrade television said a "decisive battle" was under way for Dubrovnik, since Army reservists had said they no longer wanted to spare the old part of the city which they held had become "a Croatian military camp."

It said a call for the U.N. Security Council to send a peacekeeping force into Croatia was the last chance for a peaceful settlement of the Yugoslav crisis.

On Monday, Yugoslav Vice President Branko Kostic said that unless U.N. troops intervened in Croatia the Presidency would declare war, order general mobilisation and tell the Armed Forces "to smash the revolt in Croatia." The collective Presidency now comprises only Serbia and its allies.

Both Serbian leader Slobodan Milosevic and Croatian counterpart Franjo Tudjman have said they are prepared to attend peace talks in Paris. They gave the assurances to a mission of French religious leaders from the Christian, Jewish and Moslem faiths who arrived here Monday to try to effect reconciliation between Serbs and Croats.

Elsewhere, Croatian forces fired shells late Monday on the town of Sid, 110 kilometers (68 miles) west of Belgrade, and on the neighboring village of Ilinci in the Serbian province of Vojvodina, causing damage but no victims, the Belgrade daily VECERNJE NOVOSTI said Tuesday.

Situated five kilometers (about three miles) from the Croatian border, Sid was the first Serbian city bombarded by Croatian forces a week ago when shelling left four dead and 12 injured, according to earlier Serbian reports.

Since then, Croatian forces have shelled the city of Apatin in Vojvodina in two attacks, and also hit a Serbian village in Bosnia-Hercegovina, according to the Serbian reports.

A summary execution of Serbs took place in the Croatian port of Zadar, according to VECERNJE NOVOSTI in a report quoting Milan Djukic, an adviser to Croatian President Franjo Tudjman.

A "camp for Serbs" had been organized a Zadar and "a certain number of Serbs were killed there," Djukic reportedly told a press conference.

He was also quoted as saying that "more than 100 Serbs" were arrested in Gospic, 60 kilometers (37 miles) north of Zadar, and that their fate was unknown, though he did not say when the incidents took place nor who carried them out.

Djukic said Croatian authorities, however, "had nothing to do with these crimes." He is head of the National Serbian Party which represents Croatian Serbs who have remained loyal to Tudjman's regime. It claims membership by 4,000 of the 600,000 Serbs in Croatia.

Separovic Wants 'War Declaration' Adopted

LD0711190591 Belgrade TANJUG in English 1546 GMT 7 Nov 91

[Text] Zagreb, Nov 7 (TANJUG)—Croatian Foreign Minister Zvonimir Separovic proposed the Croatian parliament today to adopt the "Declaration About War on Croatia and the Necessity of International Intervention for Peace" in this republic.

Addressing the delegates, Separovic also suggested that Croatia appeal to all world parliaments and governments to recognize Croatia as a sovereign and independent state with international personality, assessing that "peace will return to these areas" in that way.

Separovic assessed that the formula for achieving and recognizing the sovereignty and independence of the republics of the until now federation prevailed at the peace conference on Yugoslavia in The Hague.

At last week's fifth meeting of participants in the conference in the Netherlands administration capital, there was a "decisive turning-point regarding the recognition of the international personality of the republics which want that, within the existing borders", the Croatian foreign minister added.

Speaking about the development of Croatia's diplomatic-consular network, Separovic said that 29 diplomatic-consular workers in "former" Yugoslavia's

embassies and consulates and "13 employees" of the Federal Foreign Ministry have "expressed their loyalty" to Croatia.

Fifteen foreign offices of the Republic of Croatia have been opened in the world and they are to become authorized diplomatic representative bodies, he added.

Separovic Comments on Withdrawal of Army Troops

LD0811214191 Belgrade TANJUG in English 1957 GMT 8 Nov 91

[Text] Zagreb, November 8 (TANJUG)—Croatian Foreign Minister Dr. Zvonimir Separovic said in an interview to the Zagreb weekly DANAS that the Yugoslav People's Army (JNA) would be treated as "an army of occupation" as of November 10, and that "Mr. Raseta will not walk around Zagreb as easily as he does now." Lieutenant-General Amdrija Raseta is deputy commander of the Fifth Military District of the JNA.

According to Croatian estimates, that is the date of the expiry of the 30-day period for resolving the crisis which implies also the withdrawal of the JNA from the territory of the second-largest Yugoslav republic. This was agreed in The Hague between Croatian President Dr. Franjo Tudjman and Serbian President Slobodan Milosevic, and Federal Secretary for National Defense, General of the Army Veljko Kadijevic, with the mediation of chairman of the conference for Yugoslavia Lord Carrington.

On this occasion also, Separovic appealed for "peace forces which would back up the European Community (E.C.) monitor mission, and it would be best if forces came which would not only maintain, but actually bring peace, like the (United States) Sixth Fleet, for instance," he said.

Speaking about the document which was proposed at The Hague conference for settling the crisis in Yugoslavia, Separic assessed that it contains "a very flexible standard which permits very different types of associations, with independence and sovereignty considered as the first precondition. This is actually a Scandinavization of former Yugoslavian a Europeization [as received] within the Conference on Security and Cooperation in Europe (CSCE)," Separovic said.

Asked about future relations with Serbia, Separovic pointed out that "no-one can predict any particularly strong and brilliant relations with the country which is attacking Croatian territory and waging a bloody and brutal undeclared war... nevertheless, we must have relations with Serbia—we cannot always be in war," Croatian Foreign Minister Separovic concluded in his interview to DANAS.

Greguric Announces Prisoner Exchange Figures

LD0711223291 Belgrade TANJUG in English 1714 GMT 7 Nov 91

[Text] Zagreb, Nov 7 (TANJUG)—Franjo Greguric, the premier of Croatia which has announced its decision to secede from Yugoslavia, said today that a total of 1,150 prisoners had been exchanged in this republic so far.

Speaking at a parliamentary session, Greguric said that both soldiers and civilians were exchanged according to the all-for-all principle, and that the Croatian Government had exchanged even those "who under the normal circumstances should not have been released at all".

Representatives of the Yugoslav People's Army, the illegitimate Croatian Army and the E.C. observer mission signed a 13-point agreement on the exchange of all prisoners in Zagreb today.

The document sets out that the lists of prisoners are to be verified by the International Red Cross, that the exchange of lists is to start immediately, and that the exchange of prisoners is to be controlled by E.C. observers.

The command of the Knin corps said, however, that a meeting on the exchange of prisoners did not take place yesterday because representatives of the Croatian authorities did not attend.

The fate of all those whom the Croatian authorities hold prisoners in Split, Sibenik and Zadar is uncertain, the command added.

According to Greguric, 18,700 officers and soldiers have left the ranks of the Yugoslav Army, and another 16,000 returned home. "The soldiers and officers who voluntarily left their barracks and the Army have not been taken prisoner", he added.

The Croatian premier also said that about 460,000 people had fled from the crisis areas in Croatia to the other parts of the republic and elsewhere in the country.

They include 300,000 Croats, 150,000 Serbs and about 10,000 members of other ethnic and minority groups, he explained.

According to the Yugoslav Red Cross, there are 250,000 registered and 50,000 unregistered refugees from Croatia, 145,000 of whom are Serbs who have fled to Serbia and the remaining 85,000 are Croats who have been accommodated outside the crisis areas in Croatia.

The Croatian Government will soon issue a compulsory work order for the refugees and mobilize all their men between the ages of 18 to 60, announced Greguric.

Council of State Statement on Defending Territory

LD1211202891 Zagreb Radio Croatia Network in Serbo-Croatian 1800 GMT 12 Nov 91

[Text] The 36th session of the Supreme Council of State has been held in Zagreb. It was chaired by the president, Dr. Franjo Tudjman. The military-political situation in Vukovar and in Dubrovnik, the exacerbation of the situation in Bosnia-Hercegovina following the Serbian referendum, the attitude toward the federal government, the election of Constitutional Court judges, and other issues were discussed, stresses the statement issued following the Supreme Council of State session.

Resolutely and with all the means at its disposal, Croatia will continue to defend Vukovar and Dubrovnik despite some voices claiming or demanding the opposite. The rumors that Croatian authorities are getting ready to negotiate about any part of Croatian territory are totally groundless. This applies especially to Vukovar and that part of Slavonija into the defense of which almost one-half of all available military resources were invested and a great deal of cadres were involved. These accusations are iniquitous also vis-a-vis the fighting men from all over Croatia who are defending the heroic city of Vukovar. Under siege conditions, the Croatian authorities have invested a great deal in the defense Vukovar thereby weakening other fronts aware as they are of the disparity of forces and of the importance of Vukovar. The enemy is trying to make capital out of this situation to demoralize the Croatian forces and to bring down the Croatian authorities. This is why the Croatian defense will make an additional effort on the fronts in eastern Slavonija and in the Dubrovnik area. In addition, serious steps have to be taken to remove faint-hearted and alien elements in our ranks. Citizens and volunteers are called on to join the Republic of Croatia's defense efforts in these most critical areas.

Serbia is responsible for the existing escalation of war, but so is Montenegro which despite promises made to international and domestic public is not desisting from participating in aggression and destruction, especially of Dubrovnik.

The Supreme Council of State is worried about the growth of political and military tension in the neighboring Republic of Bosnia-Hercegovina especially in the wake of the Serbian referendun which is responsible for the further paralysis of authorities and institutions in that republic and which poses a threat to the interests and rights of the Croatian and Muslim peoples who also have the right and the need to organize themselves for the protection of their areas and to ensure their future.

The council draws attention to the fact that since Yugoslavia no longer exists there are no reasons or conditions for the activity of the federal government. There is every indication that the existence of the federal government is used against the interests of Croatia and for this reason the representatives of the Republic of Croatia in the federal government should leave their posts and place themselves at the disposal of Croatian authorities.

The council has suggested that during its next session the Croatian Sabor should complete the process of election of judges of the Constitutional Court where there have been delays, says the Supreme Council of State statement in conclusion.

Government, Federal Military Agree on Cease-Fire

AU1311093791 Sarajevo Radio Sarajevo Network in Serbo-Croatian 2100 GMT 12 Nov 91

[Text] Representatives of the Croatian Government and military forces had talks this afternoon in Croatia with representatives of the Yugoslav People's Army. A cease-fire and cessation of the fighting in Croatia was agreed in principle. Here is a report by Nada Alisa in Zagreb:

[Alisa] Even though the plan for the cessation of hostilities that was agreed this evening applies to the whole territory of Croatia where there is fighting, representatives of the Croatian Government, Drazen Budisa and Mate Granic, insisted that above all the battles in Dubrovnik and Vukovar should stop immediately because these towns are on the verge of catastrophe. General Raseta promised that the Army would adhere to the agreement.

As early as tomorrow morning the plan for the Army's withdrawal from Croatia should begin to be implemented. The evacuation of the barracks at Jastrebarsko, not far from Zagreb, should begin at 0800 GMT. According to the agreement, on its departure, the Army can take with it all the weapons that it can transport with its own means and personnel.

The departure of the Yugoslav army will be supervised by the EC mission which will follow the Army convoy as far as its destination in Tuzla. The EC mission will also guarantee that the weapons that the Army takes with it will not be used against Croatia again.

Ship Allowed Into Dubrovnik To Evacuate People

LD1311105691 Belgrade TANJUG Domestic Service in Serbo-Croatian 1013 GMT 13 Nov 91

[Text] Trebinje, 13 Nov (TANJUG)—At the request of the EC mission the Yugoslav People's Army [YPA] has allowed, after a detailed inspection, the ship Slavija to sail into the port of Dubrovnik to take on board foreign journalists, women, children, and the patients, and perhaps also the European mission members now in Hotel Argentina.

After sailing out, journalists in the press center of the YPA operative group for Hercegovina were told by Captain Bozidar Celebic that the Slavija will again be inspected thoroughly and then allowed to proceed to its port of destination.

Slavija was allowed to sail into the port of Dubrovnik, which is under a total blockade, only after permission had been obtained by the YPA Supreme Command because during its earlier arrival in Dubrovnik this ship brought into the town members of Croatian armed formations, including foreign mercenaries.

'Ustasha' Attempts To Penetrate Krajina Fail

LD1211170491 Belgrade TANJUG Domestic Service in Serbo-Croatian 1407 GMT 12 Nov 91

[Text] Knin, 12 Nov (TANJUG)—According to today's statement of the Ministry for Internal Affairs of the Serbian Autonomous Region of Krajina, there have recently been occasional and—as they put it—"failed attempts to infilitrate Ustasha groups into the municipalities of Benkovac, Drnis, Gracac and Vojnic." The statement at the same time stresses that "Croatian extremist formations armed even with heavy weapons are stationed in the Sibenik and Zadar region."

Special units of the Krajina police are still carrying out mopping up operations in the region, in the course of which they are suffering some losses, the statement says. So, three policemen lost their lives, nine were seriously wounded and several lightly wounded in mopping up operations in the village of Turanj in the municipality of Vojnic last week.

According to the statement, various forms of unlawful activity are on the rise in Krajina. In the past few days alone, 20 criminal charges for theft and robbery, and several charges for minor offenses against public peace and order have been filed.

The statement concluded by expressing gratitude and support for the Yugoslav People's Army and the Knin Corps, as the only legitimate armed formations, for good cooperation in a common struggle to preserve the Serbian people.

Correction to Separovic Addresses Consuls to Zagreb

LD1211140391

The following correction pertains to the item headlined "Separovic Addresses Foreign Consuls to Zagreb," published in the 12 November East Europe DAILY REPORT, on page 50:

Column one, last paragraph, only sentence, make read: ...People's Army to 25 December this year, in... (changing "November" to "December")

Serbia

Economic Chamber Discusses EC Embargo

AU1211213691 Belgrade Radio Belgrade Network in Serbo-Croatian 2100 GMT 12 Nov 91

[Text] The economic blockade will cause many difficulties in Serbia, most of all in trade with the world. There will be some shortages, but this will not be insurmountable. This was stated by the Presidency of the Economic Chamber of Serbia. Serbia has developed trade with many countries in Europe and the EC's embargo will affect the republic's economy as well as Serbia's partners in Europe. Serbia has so far even had a trade surplus. The Economic Chamber says that the Serbian Government must urgently adopt a new development program.

Daily Urges UN To Send Forces to Croatia

LD1211155691 Belgrade TANJUG in English 1155 GMT 12 Nov 91

[Text] Belgrade, Nov 12 (TANJUG)—The Belgrade daily VECERNJE NOVOSTI writes today that "the so-called rump presidency and the rump army under its command have persistently and for the most part in vain claimed and argued that they are no aggressors and that their aim is not to destroy democracy in Croatia, in whatever form it may exist there".

Their only duty is to protect the Serbian people from a second wave of extermination within the past fifty years, the paper adds.

In a story headlined "The Truth Should Be Brought Out in the Open", VECERNJE NOVOSTI says that "if the European Community and the United Nations do not trust anyone, they should send their neutral forces to Croatia, cut the military and paramilitary operations there, and guarantee the security and basic freedoms of the threatened people, after which the army will withdraw outside the administrative borders of Croatia".

The arrival of a U.N. peacekeeping force to the frontline would bring out in the open the truth of the conflict between the Serbs and Croats in their common homeland in which, for the most part, they have been forced to live together, writes the paper.

It goes on to say that the naked truth would then show to Europe and the world who has been threatening whom in Croatia and who has been plotting about whose life. Until this is done, there will be no end to the conflict in Croatia. The division between the two peoples in this territory is so deep that the only thing left for them is to separate as humanely as possible, the paper concludes.

Republic Setting Up Information Centers Abroad

LD0711224391 Belgrade TANJUG Domestic Service in Serbo-Croatian 1647 GMT 7 Nov 91

[Text] Belgrade, 7 Nov (TANJUG)—The government of the Republic of Serbia has decided to set up information centers in Washington, London, Paris, Frankfurt, Vienna, and Moscow for qualitative and authentic presentation and promotion of the Serbian state and national interests abroad.

As reported today by the Serbian Ministry of Information, these centers in large world political, business, and

media centers will offer firsthand information on developments in Serbia, bring together the Serbs and friends of the Serbian people, and consolidate links between foreign partners and the state, economic, scientific, cultural, and other institutions in the Republic of Serbia.

The statement by the Serbian Ministry of Information says that the funding of the work of these information centers will be partly secured from the state budget. Help is also expected from the economy, foreign trade enterprises, and our citizens abroad.

Kosovo Democratic Union President Appeals to UN

LD0811174891 Belgrade TANJUG in English 1316 GMT 8 Nov 91

[Text] Pristina, Nov 8 (TANJUG)—President of the Kosovo Democratic Union Ibrahim Rugova today called on the United Nations to mediate in bringing the war in Yugoslavia to an end.

Rugova, the leader of the strongest party rallying ethnic Albanians in the autonomous province of Kosovo and Metohija (part of the Republic of Serbia), told a news conference in the province's capital of Pristina that the participants in the war were responsible that the European Community's efforts for a peaceful solution of the Yugoslav crisis had failed.

He said the failure in The Hague meant the collapse of Serbia, because it was the last chance for the "Serbian regime to sober down, and not remain isolated in Europe."

Rugova demanded that sanctions possibly implemented against Serbia should not apply to ethnic Albanians. He reiterated the accusations against the Yugoslav Army and said military organs and the Serbian police were forcibly mobilizing ethnic Albanians in the province. Three Albanian soldiers were killed on the battlefield or in barracks under unexplained circumstances, Rugova added.

Rugova categorically rejected any comparison between the position and status of Albanians in Kosovo and Serbs in Croatia, because, as he said, ethnic Albanians by far outnumbered the Serbs in Kosovo.

Bosnia-Hercegovina

Izetbegovic Says Foreign Intervention Needed

LD1211181891 Belgrade TANJUG Domestic Service in Serbo-Croatian 1446 GMT 12 Nov 91

[Text] Sarajevo, 12 Nov (TANJUG)—If the war continues, involvement by foreign military forces would be a better solution because it would reduce destruction. If the conflict continues then it is quite certain that we are marching into a total war and Bosnia-Hercegovina would certainly be drawn into this war. This was stated by Bosnia-Hercegovina Republic President Alia Izetbegovic in answer to a question put to him by a New York correspondent, during the regular monthly press conference for journalists from home and abroad.

Only foreign intervention, he stressed, can resolve the present military conflict. Of course, this is not a good thing, Izetbegovic emphasized, but it is the choice of a lesser evil. They can only be the blue helmets, he said; and in reply to a journalist's remark that those only separate the parties in dispute, Izetbegovic explained that the United Nations also has other forces. Any solution is better than total war, he added.

Several questions put to him by domestic and foreign journalists referred to the plebiscite of the Serbian people regarding their status. "It was a one-party plebiscite, a plebiscite arranged and carried out by one party. The party also controlled it. Of course, the result was a triumph, the response was over 100 percent. This has already been observed in these areas and I cannot escape the impression that a Bolshevik system [of voting] has been preserved," Izetbegovic said.

He continued: We offered the Serbian Democratic Party [SDS] the holding of a general referendum, the writs for which were to be issued by the legal Bosnia-Hercegovina Assembly, but they rejected the offer.

Bosnia is sovereign and it will stay so because that is the wish of an overwhelming section of its people, he went on to say. Of course, it will stay sovereign and integral if force is not used, but any force is of limited duration. Serbs constitute 31 percent of the population in Bosnia-Hercegovina and the figure shows approximately how much they can hope for, Izetbegovic said when answering a question on what will happen if after the plebiscite the Serbs want to leave Bosnia-Hercegovina. However, he went on to say, the fact is that BIH is not divisible. The Serbs never clearly told us what they wanted with regionalization and similar ideas; they only said they wanted that territory to stay in Yugoslavia. Whether Yugoslavia is to remain depends on all Yugoslav peoples. Of course, it does not depend on Serbs alone, he explained. It depends on the Serbs whether there will remain a Serbia, but not whether a Yugoslavia will remain. The SDS is making the issue of a [Serbian] region dependent on a vague option.

During this press conference Izetbegovic said, among other things, that the latest mobilization which is being carried out by military as well as civilian authorities in Bosnia-Hercegovina, is not legitimate; that Bosnia-Hercegovina is rightly expecting relief regarding the sanctions that came into force by virtue of the EC Rome decisions; and that the plebiscite held by the Serbian population does not contribute to stabilization, but to further destabilization of the situation in Bosnia-Hercegovina.

Izetbegovic, Kljujic Reject Serbs' Plebiscite

AU1211164891 Belgrade Radio Belgrade Network in Serbo-Croatian 1400 GMT 12 Nov 91

[Text] The first official reaction to the plebiscite of the Serbian people in Bosnia-Hercegovina was heard today. [Bosnian President] Alija Izetbegovic said that the plebiscite is contributing toward the further destabilization of the political situation in this republic, while Stjepan Kljujic [leader of the Croatian Democratic Community] told Serbs to enter Yugoslavia without Croats, because they do not want any Yugoslavia. Ljubomir Nikolic reports:

[Begin Nikolic recording] Answering the question of what will remain of Bosnia-Hercegovina if the autonomy of some parts of this republic was proclaimed after the plebiscite of the Serbian people, Alija Izetbegovic said that Bosnia-Hercegovina is sovereign and indivisible. Regarding the plebiscite, Izetbegovic said that it is contributing to the further destabilization of the political situation in Bosnia-Hercegovina and that it represents an attempt to establish Serb dominance.

We offered a citizens' referendum to the leaders of the Serbian Democratic Party and asked them to define their demands and present them in the republican parliament. They responded with the plebiscite, Izetbegovic said, adding that this was a referendum by a single party that was already seen in this republic and that Serbs can only vote on Serbia and not, as he said, an an uncertain Yugoslavia.

Answering your reporter's question on whether the leaders of the three national parties in Bosnia-Hercegovina can reach an agreement after the plebiscite, Alija Izetbegovic answered affirmatively, stressing that talks will be held despite the present situation.

Izetbegovic today spoke in favor of intervention by UN forces if the war in the country does not stop. In addition to the blue helmets he also mentioned other forces of the international community, because, as he said, the blue helmets would be deployed along the present front lines. Speaking about the economic sanctions against Yugoslavia, Alija Izetbegovic told journalists that Bosnia-Hercegovina has sent a request for compensation to Europe for the damage that this republic will incur. We want peace. We have not done anything to spread this war and therefore we have the right to receive compensation, Izetbegovic said.

Speaking about the plebiscite, Stjepan Kljujic, leader of the Croatian Democratic Community of Bosnia-Hercegovina, said that he believed that the Serbian people support the Serbian Democratic Party, but that his message to Serbs is to enter Yugoslavia without Croats who do not want any Yugoslavia. Kljujic stated again that the Croats from Bosnia-Hercegovina will demand that a list of war criminals be drawn up for what has been done to the Croatian people throughout Croatia and in the seven villages of the Trebinje communes.

Miro Lazic, minister in the republican government, also spoke about the plebiscite. He wondered where the Serbs got the money for the plebiscite, claiming that it was illegitimate.

Instead of the announced 100,000 participants in the workers' meeting in Sarajevo, only about 25,000 workers from Sarajevo and other places in Bosnia-Hercegovina gathered in front of the republican assembly at noon. With numerous Yugoslav flags they called for an end of the war in the country, improvements in the social welfare of workers, and new elections.

Today an extraordinary session of the republican parliament was scheduled for 22 November. The session will be devoted to the economic situation in Bosnia-Hercegovina. [end recording]

Radio Sarajevo Reporters Demand Protection

LD0711223891 Belgrade TANJUG in English 1816 GMT 7 Nov 91

[Text] Sarajevo, Nov 7 (TANJUG)—The Radio Sarajevo reporters' association in the Republic of Bosnia-Hercegovina today demanded from the Information Ministry of this Yugoslav republic to protect reporters and guarantee safety to their families.

Reporters and stringers for Radio Sarajevo are increasingly becoming the target of direct and indirect threats and intimidation, the association said.

In substantiation, the association said that an explosive device was recently thrown on the home of the Radio Sarajevo reporter in Bosanski Novi, and that reporters in Bosanski Brod and Han Pijesak and members of their families have been subject to mental and physical harassment.

These examples clearly show that there are attempts to restrict the freedom of speech in Bosnia-Hercegovina, said the association and urged the republican authorities to ensure the implementation of the law guaranteeing to all the citizens of Bosnia-Hercegovina the right to full and objective information.

Sandzak Muslims Want To Avoid Economic Sanctions

AU0711173991 Belgrade Radio Belgrade Network in Serbo-Croatian 1400 GMT 7 Nov 91

[Text] The Party of Democratic Action at its news conference in Novi Pazar announced that the Assembly of the Muslims National Council will appoint the first official of the Sandzak shadow government in the next 15 days. Here is a report by Ishah Slegovic, of Novi Pazar Radio:

[Begin Slegovic recording] Besides announcing the final results of the Sandzak autonomy referendum, Dr. Rasim Ljajic, secretary of the Party [of Democratic Action] and a member of the National Council, said in Novi Pazar

today that the person with a mandate to form the first Sandzak government will also be appointed at the next session of the Muslim National Council. However, formation of the government will not represent a suspension of the republican authorities, as this will be a so-called shadow government whose main objective will be to secure a minimal level of economic activity after a possible EC economic blockade of Serbia. To achieve this, Ljajic said, we have already made initial contacts with some Western European and Arab countries, and we expect that the first economic aid for this area will arrive soon. Such a step was explained today by Serbia's refusal to sign The Hague document, which is perceived here as a slow but certain way of pushing the Republic of Serbia into the greatest political, economic, and diplomatic isolation in its history. Finally, Rasim Ljajic added, it is not a duty of the Sandzak Muslims to bear the consequences of such irrational politics, and therefore, they will demand from the EC Council of Ministers that the possible economic sanctions not apply to Sandzak. [end recording]

Macedonia

Government Views EC Sanctions' Consequences

AU1211220091 Skopje Radio Macedonia Network in Macedonian 2100 GMT 12 Nov 91

[Text] At the Republic of Macedonia Government session today chaired by its president, Nikola Kljusev, they discussed and adopted general views on possible (?consequences) of the EC economic sanctions in the republic. The measures that the government adopted as a protection from economic sanctions are of a temporary character and are open to being amended since, as was pointed out, no written document has so far been received from the EC.

In case the republican economy is affected by the economic sanctions, the Macedonian Government has formed a crisis headquarters, which will [word indistinct] the situation and undertake necessary activities with a view to alleviating the consequences that the sanctions may cause.

Gligorov Denies Rupel Statement on Common State

LD0711224291 Belgrade TANJUG Domestic Service in Serbo-Croatian 1720 GMT 7 Nov 91

[Text] Skopje, 7 Nov (TANJUG)—Following the statement by Slovenian Foreign Minister Dimitrij Rupel that "apart from Milosevic, the president of Macedonia also agrees with the stand on a common state called Yugoslavia," the office of Kiro Gligorov today issued a denial.

The denial by the president of the Republic of Macedonia states:

"Mr. Rupel's attempt to include Macedonia in the so-called remnant of Yugoslavia has been known to the public since his written proposal to the European Community on the future of Yugoslavia. This proposal has been sharply denounced by the Macedonian parliament and wider public as an astonishing attempt to achieve a solution not only on behalf of the Republic of Macedonia but also against its legitimate and sovereign interests."

"Such a statement by Dimitrij Rupel," the denial adds, "has nothing in common with the stand of the Republic of Macedonia or with the attitude of President Gligorov at The Hague conference. The attitude of Kiro Gligorov, president of the Republic of Macedonia, is well known to the Macedonian and wider public," it is said in conclusion.

Assembly Opens Debate on New Constitution

AU1011135691 Belgrade Radio Belgrade Network in Serbo-Croatian 1400 GMT 9 Nov 91

[Branka Nanevska report from Skopje]

[Text] After preparations which lasted several months, considerable public debate, and intensive work of numerous experts and members of the Constitutional Commission, the proposed text of the new constitution of the Republic of Macedonia was submitted to the Assembly deputies today. As Assembly President Stojan Andov said in his introductory speech, the highest legal act is the [word indistinct] of the citizens' freely expressed will at the 8 September referendum and its visa to the international recognition of the sovereignty of the Macedonian state.

There exist major differences and disagreements among the deputies. For example, members of the VMRO-DPMNE [Internal Macedonian Revolutionary Organization-Democratic Party for Macedonian National Unity] insist on defining Macedonia as the national state of the Macedonian people and all citizens living in it. Deputies of Albanian parties, the Party for Democratic Prosperity and the People's Democratic Party, are not satisfied because they are not cited as a constitutive nation.

A fierce debate is in the offing and it is completely uncertain whether Macedonia will proclaim its constitution at all.

The debate has just opened, and let us say at the end of this report that it is under way in the main hall of the Macedonian Assembly in which there are no pictures of Tito or Yugoslav flags. There is only the Macedonian state coat of arms and its three flags.

Disagreement Postpones Adoption

LD1111050591 Belgrade TANJUG in English 2253 GMT 10 Nov 91

[Text] Skopje, November 10 (TANJUG)—Parliament of the Yugoslav Republic of Macedonia has postponed for tomorrow the proclamation of the republic's new constitution, because the parliamentary parties failed to agree

on a number of controversial issues. The work of parliament was blocked after the passing of an amendment defining Macedonia as the parent state of the Macedonian people. Dissatisfied with the definition, the ethnic Albanian deputies walked out on the session.

All-Macedonian Movement Rallies for Constitution

AU1211195891 Belgrade Radio Belgrade Network in Serbo-Croatian 1800 GMT 12 Nov 91

[Text] Citizens have been holding protest rallies in Skopje and some other Macedonian towns because the deputies of the Macedonian parliament are too slow in adopting the new republican constitution. They are demanding a constitution with all the characteristics of Macedonian statehood. Boris Djordjioski reports from the protest rally in Skopje:

[Djordjioski] Several thousand people are strongly protesting in front of the Macedonian Assembly because the adoption of the constitution of this republic has been postponed. In fact, this protest is the continuation of the meeting organized by the Maak [Movement for All-Macedonian Action] this evening. The participants in the rally demand an end to the political circus in the assembly, because the protection of narrow party interests threatens Macedonia with internal schism. The Maak wants to prevent possible interethnic clashes, preserve peace in the republic, but not at the cost of selling out the republic. It is thought that it is in fact the failure to adopt the national Macedonian constitution and the cancellation of the provision according to which Macedonia is the mother country of only the Macedonian people that are leading toward polarization in the republic, toward two states, toward polarization between Macedonians and Albanians.

The participants in the rally demand the most urgent adoption of the Macedonian constitution, which will not divide sovereignty, as well as the conclusion of Macedonian statehood. If, on the other hand, the parliamentary crisis does happen, and if there is a constitutional blockade, the Maak threatens that it will call for a constitutional assembly [ustavotvorna skupstina]. This will be followed by a new constitution and immediately after that new elections.

There are a large number of people in front of the assembly building from other Macedonian towns. They demand to be addressed by some official. As we have learned, protest rallies have also been held in other places in Macedonia. This indicates stormy days in Macedonia, something that is an expression of dissatisfaction with the futile work of the deputies in the assembly and with their narrow and strange party decisions along the lines of we want this constitution today but not tomorrow, so let us discuss and vote on everything again.

It is obvious that the people are fed up with the narrow interests and party plays. Every party swears that it represents and protects Macedonian interests, except, of course, the Albanian Party for Democratic Prosperity and the People's National Democratic Party. What is occurring is more than an obvious struggle for parties' prestige. It is difficult to adopt a constitution in these circumstances. This is why we have protest rallies such as the one being held here in Skopje.